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# ***JPRS Report***

## **West Europe**

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# West Europe

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## FINLAND

### **Paper Examines Koivisto Comment on Ties to Europe**

36500068 Helsinki HUFVUDSTADSBLADET in Swedish 29 Jan 88 p 2

[Editorial by Bo Stenstrom: "The Council of Europe's Plum at the Right Time"; first paragraph is HUFVUDSTADSBLADET's introduction]

[Text] The time is exceptionally right for membership in the Council of Europe, writes Bo Stenstrom.

The Council of Europe has been one of those European "cakes" whose plum we have been thought to be taking without paying for it.

For this reason, membership might gladden business circles. You see, business does not derive a direct benefit from the Council of Europe. The initiative for the European Coal and Steel Union, then the EEC and the EC, was put forward in the Council of Europe. The same thing occurred with West European defense cooperation in the West European Union.

Cooperation on policy, economics and military policy in Western Europe was severed from the Council of Europe, which became the human dimension of European cooperation.

Switzerland thus became a member in 1963, although the country is not a UN member. It is said that Finland cannot become a Council of Europe member owing to the council's transnational character.

The reason Switzerland is not in the UN is that the country's political system and neutrality cannot admit the limited transnational authority which the Security Council has—but this is not true of the Council of Europe!

In our country it is important for the "right" people to propose issues and matters. Kari Kairamo and Max Jakobson have not been the right people.

When the Coalition Party entered the government, its most enthusiastic Council of Europe advocate, Pertti Salolainen, made a half U-turn. Membership not urgent.

In 1982, when Par Stenback was foreign minister, he made an attempt to study membership, but did not receive enough support.

The issue has acquired new urgency.

Finland has become a member of EFTA and of cooperative programs such as ESA and Eureka. Developments in Eastern Europe have produced a search for cooperative prospects with the EC and in part at least with the Council of Europe.

Our foreign policy leadership has elected to tend to "urgent" cases first. ESA and Eureka, among others, have required urgent preparations and the taking of major positions.

In terms of time and work, the "Europe decision" has not been allowed to wait.

A decision on membership would have given a stronger signal if a new president had willingly advocated such or if, last spring, a new government array had had this as its first foreign policy mark.

So Finland's line has been that there is no obstacle to membership, only that the issue is not urgent.

Koivisto and Holkeri were still pursuing that line at the Paasikivi Society's electoral debate, whereas Vayrynen went further. Later Vayrynen said he backed membership and now Koivisto has replied to Jutta Zilliacus's direct questions on Radio Ettan.

Evidently, membership will come up in the government this year, perhaps as early as this spring.

After that, membership is not far off. The issue will be examined and our laws will be adapted to those conventions on which we agree. This will affect, for example, individuals' legal protection during criminal investigations.

Communists will obviously oppose membership, but with weak motives. They cannot even portray the Council of Europe as a cold war tool.

Given such a state of affairs, they should cry foul over the extensive cooperation Finland has with the Council of Europe instead of using this as an argument against membership!

What separates the Council of Europe from Eastern Europe is that only states with liberal, democratic parliamentary systems have been able to become members.

Our communists may not know that a West European communist parliamentary group is active in the Council of Europe, which it considers a significant tool on humanitarian issues dear to them.

As a Council of Europe member, Finland will acquire a central position in Council of Europe cooperation which it now lacks. Within its highest organ, the Committee of Ministers, we can influence the Council of Europe's position on questions such as France's compulsory visa, the death penalty, the fight against drugs and others.

Finnish parliamentarians can develop European cooperative skills.



Other cooperative organs do not replace the Council of Europe and the Council of Europe does not replace them.

It is nevertheless in our interest to participate in the Council of Europe, when issues which will later come up in, for example, OECD or the European Commission are discussed.

On human rights issues, Finland heightened its profile at the CSCE experts conference in Ottawa and as a member of the UN's (ECOSOC's) commission on human rights.

So it is reasonable for us to clean the skeletons from our own closet if they were to be the objects of scrutiny.

By being a member, we can strengthen the Council of Europe next to the EC and we can play the role of bridge-builder in the heart and soul of the Council of Europe.

The time is right. We have a stable domestic situation and a president who will probably continue in his position. When decisions have to be made, no crowd is there.

There is nothing at all dramatic about this. We are not changing our line. There is no rushed timetable. The Council of Europe does not affect trade policy.

Koivisto made no move. He answered a question.

If the major electoral debate yesterday evening produced no other answer, yet another myth can be consigned to history during what will presumably be Koivisto's continued tenure in office.

12789/7310

## GREECE

### Principal Points of Possible Electoral System Changes

35210059b Athens TO VIMA in Greek 17 Jan 88 p 2

[Article by a Special Associate: "New Electoral System. Simple Proportional and Reintroduction of the Personal Preference Vote"]

[Text] The bodies responsible will soon present to Andreas G. Papandreou a draft electoral law, the creators of which believe that it will satisfy the demands expressed by the parties of the opposition. That is to say, it meets the small parties' demand for simple proportional voting and New Democracy's demand for reintroduction of the personal preference vote.

The proposed electoral law is characterized by innovations which, if finally adopted, will radically change the way deputies are elected and the way political personalities participate in the public life of the country.

First of all the electoral system under discussion reintroduces the personal preference vote, which utterly transforms the current system. On the other hand, it provides arrangements to meet the requirement that a certain number of deputies (not just deputies at large) be elected at the local level without a personal preference vote.

(It will be remembered that up until the 1974 elections all deputies were elected in their district on the basis of the personal preference votes they received. Only the head of each party did not require personal preference votes and was elected automatically, as long as his party received enough votes in the district in which he was running—the electoral minimum—to elect at least one deputy. From the 1974 elections on, the institution of deputies at large has been in use: 12 deputies (out of a total of 300) are elected based on the total number of votes received by the parties throughout the country; they are chosen from lists announced before the elections. In the 1985 elections, however, a new electoral law was applied. It was passed by a majority of the Chamber of Deputies after the 1981 elections and provides for all deputies to be elected without personal preference votes, based on the order in which they are listed on the ballot.)

Another major innovation in the new electoral system under discussion is that for the first time in Greece it provides for twice as many candidates for each seat so that voters can choose the candidates they prefer from among the (many) candidates from each party in all electoral districts.

In reality the proposed new electoral system is a mixed one including both broad and narrow districts, both lists and personal preference votes, both proportional and first-past-the-post voting. According to the experts who prepared it, the draft electoral law, which no doubt will be modified in many minor ways before it takes its final shape and is submitted to the Chamber of Deputies, permits the formation of a strong government.

The great majority of deputies (just under 5/6 of the total) will be elected by a system of simple proportional voting and according to the personal preference votes each candidate receives.

A number of deputies will be elected according to the first-past-the-post system from lists prepared by the leadership of each party; this will enable the parties to elect certain persons who either cannot "chase" personal preference votes or whom the party considers it unwise to have doing so. These will be personalities whom the leadership of the party considers essential at the local level, however. Preliminary calculations put the number of deputies to be elected by this system at about 50, or one for each narrow district.

It will be remembered that last Tuesday, right after his meeting with ND Chairman K. Mitsotakis, Prime Minister Andreas Papandreou issued a statement repeating categorically that elections will be held in the summer of

1989. However, he left the question of the personal preference vote and the electoral system open, observing that the question is "untimely" today.

In the Ministry of the Interior the relevant organization declares that it has no instructions to busy itself with the electoral law in any way. It is, however, a fact that the system under which the next elections will be carried out and, to some extent, the issue of the personal preference vote, occupied members of the PASOK Executive Office last week; that these questions were discussed in a private meeting between Papandreou and Alevras 10 days ago; and that they have been keeping Menios Koutsogiorgas, PASOK's "election mastermind" par excellence, busy for weeks now.

Information available to TO VIMA indicates that the question of the electoral law is most likely to be raised around the end of this year because the Government, planning to hold Parliamentary elections in 1989 and not before, has no reason to contribute to the creation of a pre-election atmosphere by untimely "election talk."

12593

## NORWAY

### Both Labor Government, Nonsocialist Opposition in Disarray

#### Brundtland, Economic Policies Criticized

36390033 Oslo AFTENPOSTEN in Norwegian  
31 Dec 87 p 3

[Commentary by Kjell Hanssen: "Gloomy Outlook at Turn of Year: Government Overtaken by Developments"]

[Text] Nothing has actually changed during the past year: escorted by the middle parties, Gro Harlem Brundtland continues to lead a Labor Party minority government. But the winter darkness has descended on government buildings.

The election was a setback. The interest rate is rising. The economy is ailing. The teachers are kicking up a row, and the party is discontent. There is restlessness in the ranks. And the prime minister again says in long sentences that the problems have become bigger than our ability to manage them.

#### Overtaken by Reality

1987 was the year when the Government was overtaken by developments, when cabinet ministers were supposed to explain the market's laws to voters who had been told that policy was ours to make as we wish. A rising interest rate should have been deflected by firm management

and control. Instead, to the disbelief of fellow party members, the finance minister had to announce that it was the rising interest rate which managed and controlled us.

Had it just been a matter of setting aside an old ideology, for the benefit of reality, the government could still have been able to cope with its problems. But a major change of course is necessary to straighten out the Norwegian economy now. Unless the world offers Norway an improbable oil-price increase (expressed in an improbably strong dollar), we are in serious trouble.

#### Krone Down Again?

Mrs Harlem Brundtland may become the first prime minister of Norway to fully devalue the krone twice. Her first devaluation directly reflected the market's appraisal of the party program: people thought the higher bids should be paid. Uneasiness grows today because the government carries on as before, after conditions have changed. Government budgets are not reduced, and the changes made in industrial working conditions are all negative. Few sales, bad rules for writeoffs, an increase in the profits tax and stock exchange tax—all this comes on top of a distinctively Norwegian expenditure growth in an overtight job market. The "exceptional year" 1987 was supposed to have strengthened Norway's ability to compete. But hourly wages rose 17 percent. And there is increasing pressure from a public sector which the government insists on preserving as if the oil price drop and stock market collapse had never happened.

#### Weak, Weaker

Except for the foreign affairs minister and the municipal affairs minister, the government is the same as when it assumed office a year and half ago. That is an obvious weakness. Not all the cabinet ministers exude natural authority; this holds true primarily for Agriculture Minister Gunhild Oyangen and Developmental Aid Minister Vesla Vetlesen. Nor does the latter receive any special help from a ministry which seems to have lacked inner guidance and discipline from the start.

Among the government's other drawbacks are the church and education minister, the consumer affairs and administration minister, and the transport and communications minister, whose handling of the airport affair has been strikingly slow and incomplete. The first two ministers have personally aggravated the teacher conflict, which was troublesome enough without them.

For Anne-Lise Bakken's part, this is not the first time a wage settlement got off to a bad start. The same thing happened during the summer of last year.

### Dogmatic

On the whole, the government has proven as flexible as it must be to have a majority, and as dogmatic as it can be without losing that majority. With the Center Party at its side, the government can expect to avert practically all attempts at privatization, deregulation, tax relief, and cutbacks in public spending.

The government has proven most dogmatic in its industrial policy—as far as state-owned companies are concerned. The Labor Party has belatedly learned from the Swedish Social Democrats that the point is not to socialize companies but voter groups. On nearly all other issues involving the power and scope of the state, the party is very doctrinaire. Characteristically, the media policy has been formulated in such a way that the alleged variety becomes feeble and innocuous. And the handling of TV# in recent weeks has been argumentless monopoly policy at its worst.

### Serious

The government chief herself has no challengers from within, and her will power and zest for work are intact. Just half a year ago the party gave security and self-confidence; now it stirs doubt. Up until the election, the Labor Party thought she was its best card. But today?

Today critical voices speak about an inability to listen, about a poor grip on the reins, about little capacity to inspire, about long stays abroad which yield little at home. Yet she is secure in her post. But the country's situation is very serious. And deep in the heart of the Labor Party, people are asking whether the prime minister actually understands how serious.

### Nonsocialist Alternative Still Distant

36390033 Oslo AFTENPOSTEN in Norwegian  
31 Dec 87 p 3

[Commentary by Lars Hellberg: "Last Train Has Not Departed but no Nonsocialist Alternative Is in Sight"]

[Text] Half a year before the next Storting election, there is no unifying nonsocialist alternative to the current government. The question of whether "the new three" will be a lasting phenomenon in Norwegian politics can only be answered by the Christian People's Party and the Center Party. If they choose to continue as prop and mainstay of the Labor Party, the Conservative Party emerges as the only one of the three former cooperation partners which consistently seeks support for a policy different from the one pursued by today's Storting majority.

When Kjell Magne Bondevik and Johan J. Jakobsen insist at the turn of the year that it is the Conservative Party which must choose sides—the alleged middle of

the road or the Progress Party—they attempt to divert attention from the fact that they themselves would rather work with the Labor Party than the Conservative Party.

### Conservative Party's Choice

For the Conservative Party with Jan P. Syse as its new leader, the choice must be the same as it was before the change of chairmen.

The Conservative Party's number one goal must be to work things out in the best possible way for a united and unifying nonsocialist alternative—for a new government and a new policy.

But the Conservative Party cannot, with its credibility intact, support a policy which involves, among other things, tax and levy hikes of billions of kroner. Moreover, there will never be an alternative to a policy formulated jointly with the Labor Party, the Christian People's Party, and the Center Party.

Lacking support for a readjustment of the political course, the Conservative Party alone must undertake the task of presenting the voters with a political alternative in keeping with what the three former government parties stood united behind, before the change of government in the spring of 1986.

The distance from the Progress Party is so great, both in principle and in practice, that there can be no talk of government cooperation. But as leader of the trendsetting non-socialist party, Syse must, of course, seek support for Conservative policy wherever he can find it.

### Great Distance

In many vital areas, the present distance from the middle parties is maybe even greater than from Carl I. Hagen's party. At the moment, the distance from the middle parties seems so great that it rules out restoration of the 3-party cooperation which ground to a halt this spring. Besides, a clear line runs from the last days of the Willoch government to the final budget resolution in the Storting before Christmas of this year.

The fact is that the middle parties' migration to the left in the political landscape started before the Willoch government was toppled. Even during the government discussions prior to the revised economic plan in the spring of 1986, the prime minister encountered again and again middle party thoughts that taxes and levies should be increased. The fact that the three stood shoulder to shoulder behind the plan which toppled the government was to a decisive degree Kåre Willoch's own doing. The detonator was already there, and when the change of government was a fact, the defenses collapsed.



### Voter Reaction

At the outset of what may become the worse year of crisis in the Norwegian economy, the absence of a creditable nonsocialist alternative raises two main questions.

How will the nonsocialist voters react to incompetency in their parties?

And how will the politicians react when the voters' reaction is forthcoming?

### Argus Eyes

Without being a prophet, the only thing a person can maintain with considerable certainty is that the opinion polls will be followed with Argus eyes in the coming months. There is no difference here between the Conservative Party and the middle parties. Irritation over the inability of the three former government parties to rally round a nonsocialist policy can just as easily affect the Conservative Party as the Christian People's Party or the Center Party, and it can intensify the protest reaction which the autumn landslide unleashed in the Progress Party's favor.

Syse's main short-term task is to make it likely that a steadily stronger Conservative Party can lead to restoration of a creditable alternative—with or without the middle partners. The precondition for success is that the party avoid agonizing discussions about whether we should head in this or that direction, so that we can concentrate on pursuing a Conservative policy.

### Center Party's Problem

But the middle parties will not be unaffected by the voters' judgment, either. The most exposed is the Center Party, which totters on the brink of the precipice. Eight of the party's 12 Storting seats were won last time by very narrow margins.

A difference of just a few thousand votes can determine whether the Center Party returns with a Storting group of 4 or 12 members.

This is all the more important, because the Center Party holds the key to a possible restoration of the 3-party cooperation. On one point Bondevik has been clear enough: the Christian People's Party will not be part of a new government unless the Center Party also participates. Thus there is the question of whether the Center Party's reluctance to contribute actively to carving out a political platform for a new 3-party government will be equally unshakable when the party's non-socialist-minded voters begin to react.

The last train has not yet departed for the three former government parties before the 1989 Storting election. But the question is whether they can agree on which train they will take and in which direction the train will go.

12327/7310

### Conservative Party Drops by 2 Points in Monthly Poll

36390041a Oslo AFTENPOSTEN in Norwegian  
30 Jan 88 p 3

[Article by Kjell Hanssen: "Strong Decline for Conservative Party; Progressive Party Strengthened"]

[Text] The Conservative Party's stock was low before the national congress. Norwegian Gallup's January poll shows a decline of 2.2 percentage points from December. The poll covers the period of 11 to 22 January. It thus ended right before the national congress assembled to elect a new leadership for the party.

The poll gives small swings for the remaining parties. But the Progressive Party has had a still greater increase (+0.5) and has reached its highest support up to now according to Gallup, with 13.1 percent. The Labor Party and Center Party have also made a slight advance, with 0.3 and 0.5 percent, respectively. Both both are worse off than in last year's local elections, which were a setback especially for the Labor Party.

### Big Deviations

The various institutes' figures have a relatively strong spread this time. The Labor Party measures from 32.9 to 38.5 percent and the Conservative Party from 24.6 to 29.9. The institutes allow for statistical margins of error (i.e., room for random variations) of two to three percent for the two big parties. The built-in uncertainty accordingly provides room for as large variations as were measured in January. The problem for those who have to read the polls is that Norwegian elections are decided with far smaller margins than this.

### History?

For the Conservative Party the question will be whether today's Gallup figures are history or whether they also reflect the situation the party will be in after the national congress. Future polls will first be able to give a definite answer to this. As reported in AFTENPOSTEN on Thursday, Opinion A/S measured the immediate reactions to direct TV broadcasts from the national congress. Here 19 percent said that the broadcasts had given them a more positive impression of the party, while only 9 percent answered that their impression had become less positive. But it remains to be seen whether the immediate reactions will also be lasting ones.

### Dispute and Confusion

At the time Gallup conducted its poll it was in any case not a united Conservative Party that presented itself. The dispute concerning the vice chairman's job had just

	General election 1985	1987										1988
		Jan	Feb	Mar	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
	%	%	%	%	%	%	%	%	%	%	%	%
Ap. ....	40.8	37.6	39.2	41.0	39.0	39.8	38.0	38.9	38.3	38.1	34.8	35.1
DLF .....	0.5	0.1	0.6	0.8	0.6	0.5	0.4	1.0	0.6	0.1	0.2	0.3
Fr.p. ....	3.7	5.0	4.2	3.2	5.2	7.3	6.9	9.3	10.6	10.6	12.6	13.1
H .....	30.4	31.8	31.4	32.6	31.6	27.9	29.5	25.0	24.7	26.1	26.8	24.6
Kr.F. ....	8.3	8.1	7.9	7.4	3.1	8.0	7.4	7.9	7.8	6.8	7.2	7.2
NKP .....	0.2	0.3	0.1	0.1	0.0	0.2	0.2	0.2	0.3	0.1	0.3	0.3
RV .....	0.6	0.4	0.3	0.7	0.5	0.5	1.0	0.5	0.6	0.7	0.3	1.1
Sp. ....	6.6	7.2	7.0	6.5	6.0	6.8	6.3	6.3	6.6	7.0	5.7	6.2
SV .....	5.5	6.6	5.9	5.1	5.7	6.2	6.4	5.9	6.2	7.0	7.8	7.4
V .....	3.1	2.8	3.0	2.3	2.4	2.4	3.3	4.4	4.1	3.3	4.3	4.3
Others	0.4	0.3	0.4	0.3	0.9	0.3	0.5	0.8	0.3	0.1	0.1	0.1
Total.....	100.1	100.2	100.0	100.0	100.0	99.9	99.9	100.2	100.1	99.9	100.0	99.7
Ap. + SV	46.3	44.2	45.1	46.1	44.7	45.9	44.4	44.8	44.5	45.1	42.6	42.5
H + Kr.F. + Sp.	45.3	47.1	46.3	46.5	45.7	42.6	43.2	39.2	39.1	39.9	39.7	38.0
H + Kr.F. + Sp. + Fr.p.	49.0	52.1	50.5	48.4	50.9	49.9	50.1	48.5	49.2	50.5	52.3	51.1

The figures show how many would vote for each party should a general election be held tomorrow. These figures have been weighed against which party was voted for in the 1987 local elections. The interviews were conducted from 11 to 22 January 1988. Norwegian Gallup Institute, Inc. Ap. = Labor Party, DLF = Liberal People's Party, Fr.p. = Progressive Party, H = Conservative Party, Kr.F. = Christian People's Party, NKP = Norwegian Communist Party, RV = Red Election Alliance, Sp. = Center Party, SV = Socialist Left Party, V = Liberal Party.

been resumed at that time: The matter had again landed in the party's election committee, and it should cause further confusion before they are done with it.

#### Toward the Right

The question of how the non-socialist parties are getting along with one another is central in today's debate. Today's Gallup figures provide interesting background material here. The lopsided swapping situation between the Conservative Party and its former coalition partners is especially pronounced here. While just one percent of the Conservative Party's voters have gone over to the Christian People's Party since the local elections, a whole 11 percent of the Christian People's Party' supporters have moved over to the Conservative Party. A comparable situation for the Center Party: Only one percent has gone over from the Conservative Party to the Center Party, while eight percent have gone the opposite way.

This means that the two middle-of-the-road parties' coalition with the Labor Party has made them uninteresting to former Conservative Party sympathizers who are looking for a new party. On the other hand, the Conservative Party has become more interesting to voters from the Christian People's Party and Center Party who want a more distinct non-socialist mooring.

The swapping situation between the Progressive Party and Conservative Party is still significant and still in the Progressive Party's favor, but the exchange is less one-sided that it was around the elections last fall. On the other hand, the swapping of voters between the Labor Party and Conservative Party has dried up to almost nothing. The Labor Party and Conservative Party are receiving not more than one percent of each other's voters.

The two big parties are at the moment also the ones that are best holding onto their voters from last year. They have stability percentages of 88 (Labor Party) and 89 (Conservative Party). But then it was also these two parties that lost most of their casual voters already during the elections.

8831

#### Christian Party Leader: Conservatives Causing Widening Gap

36390041e Oslo AFTENPOSTEN in Norwegian  
30 Jan 88 p 3

[Article by Arve M. Bakken: "Wider Gap Between Conservative and Christian People's Parties"]

[Text] "The Conservative Party has been in a difficult phase and has now obviously decided to 'pull itself together' and steer a purer conservative course." Christian People's Party Leader Kjell Magne Bondevik said this at the conclusion of the party's national conference yesterday.

"This will widen the gap from the center parties. All the same I think that the Conservative Party will see a greater need for a government alternative the closer we come to the 1989 election," he said.

#### Commitment

"The issue is clear to the Christian People's Party. We have committed ourselves through a national congress resolution to work for a three-party government. Of course we will insist on this. We will not make greater problems out of relations with the Progressive Party than what are necessary. If it will be a three-party government, it will be a minority government in this and perhaps also in the next term," Bondevik said.

He pointed out that any minority government will have to seek support from issue to issue from other parties in the Storting [Parliament]. In some issues from the Progressive Party, and in other issues from the Labor Party.

"The political distances are too great to build the Progressive Party into a solid coalition," he said.

#### Party Profile

The Christian People's Party national conference in Bergen put the finishing touches on the party's profile. The party is sticking to its basic positions but is more open to supporting the next best alternatives.

This attitude will show itself, among other things, when the municipalities are to deal with liquor licenses. "We are of course against any form of such licenses and the sale of alcohol. But if we can contribute to liquor licenses being granted that bring alcohol consumption under control we will be able to support such a proposal," Bondevik said.

Storting Representative Lars Gunnar Lie amplified on this to AFTENPOSTEN as follows:

"As a city council member in Forde in Sunnfjord, I voted against the establishment of a beer monopoly. After I became a member of the board of directors of the beer monopoly I saw that this was a good alcohol policy solution. Today I would have voted for the beer monopoly, even though both I and the Christian People's Party in Sogn and Fjordane think that the county should be alcohol-free," he says. Lie thinks that the Christian People's Party will define itself more strongly after the national conference.

"The time we in the party considered ourselves the 'movement' is past. Now it is concrete political solutions we are occupied with," he says.

#### Labor Party Coalition

There was not too much discussion at the conference concerning the Christian People's Party budget coalition with the Labor Party last fall. "There are two reasons for this," Lie thinks. "The participants in the conference are local politicians who have different opinions concerning many issues, but who are not so interested in national policy questions."

"What the Storting representatives who were present at the conference are encountering are clear demands from local politicians concerning greater transfers of funds to the municipalities. If we had followed the Conservative Party's budget proposal last fall the municipalities would have received less in transfers. It is therefore quite obvious that the participants in the conference are completely in line with the policy the Christian People's Party leadership has conducted in the Storting," says Lars Gunnar Lie.

8831

#### Conservative Party's New Leaders Draft Platform, Strategy

36390041d Oslo AFTENPOSTEN in Norwegian  
4 Feb 88 p 3

[Article by Geir Salvesen: "Will Recreate Conservative Wave"]

[Text] Moss. With a voter potential of 40 percent, the Conservative Party's leadership is now in the process of trying to recreate the basis for the conservative wave that washed over Norway at the beginning of the 80's. The party leadership has sat together in secret for two days and discussed the strategy for the time ahead. The analysis is clear:

"We are convinced that most people are conservative but that they just have not discovered it yet," Party Leader Jan P. Syse says to AFTENPOSTEN. And he would like to help them with this.

They drove away from the Oslo Depression to Refsnes Manor on Jeløy near Moss in order to be in peace and to concentrate on a monumental task--to restore the Conservative Party to the greatness of old and then some. The figures that the newly fledged leadership had presented to them at their first working meeting after the national congress were encouraging. MMI's [the Opinion Poll Institute's] Erik Dalen placed figures on the table that showed that the party has a "market potential" of 40-percent support. But the figures also showed that the Conservative Party has been way down in a wave trough



as far as both support and voter loyalty are concerned. These figures are now showing an improvement from the Conservative Party's viewpoint.

### Open Society

What is making the party leadership optimistic is not just that it feels that much of the political debate is now being shifted into the Conservative Party's core areas, but that values out among the people are in good agreement with the issues the Conservative Party is fighting for: freedom of choice and an open society, to name some.

From 27-percent support on average to 40 percent. How will the party get there?

"We are optimistic, but this is the assessment of the possibilities by objective experts. In the time ahead we will concentrate our efforts strongly on these areas: privatization and the question concerning the dividing of work assignments between the public and private sectors, an information policy and a new ideologization of the political debate," Syse says to AFTENPOSTEN.

### The Conservative Locomotive

[Question] Can it be smart to concentrate one's efforts on ideologizing at a time when the ideological boundaries appear to be breaking down?

[Answer] "Much of the debate is now moving into our fundamental basis. The Labor Party has to still have it out with old principles, slaughter sacred cows. We see a revolution from the other parties in the privatization question, but the Conservative Party must still be the locomotive in this development."

The party leadership has not discussed new concrete privatization efforts, but spokesmen say that lists will now go out from central quarters to the local parties with an outline of which areas can lend themselves to privatization locally. It is claimed to AFTENPOSTEN that the Conservative Party does not view privatization as a goal in itself, but as a way to use the State's money the best way possible by having efforts concentrated on priority social areas.

[Question] Has the new party leader, then, achieved peace in the ranks after the leadership dispute and unrest in the months before the national congress?

[Answer] "I feel to the highest degree that the party is one now. The meetings of the party's working committee have gone very well, and there has not at all been talk of conflict and unrest. During this time I have also had no doubt that, in spite of everything, there has been agreement concerning the major questions," Syse claims.

[Question] What will be the main problems for the Conservative Party in the time ahead?

[Answer] "We know that far more than those who vote for the Conservative Party today agree with us. Our task will be to tie public opinion to voting. We are back to where we were when the conservative wave was created. We are convinced that most people are conservative but that they have just not discovered it yet."

### Accepted Strategy

[Question] After the national congress there were quite unequivocal comments from the two middle-of-the-road parties concerning the fact that the Conservative Party has moved away from the center. What comments do you have on the criticism that has come forth?

[Answer] "I am well satisfied with the reactions from the other parties. One could not wait for acclamation from ringside. But I think our strategy for the future has been accepted. I am also satisfied with the Progressive Party and Carl I. Hagen, which now defines itself as the right's answer to the Socialist Left Party."

[Question] Does not the Center Party now claim to be "in highest readiness to govern?"

[Answer] "It is too bad they were not in June of last year when it really counted," says Jan P. Syse.

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### Conservative Party's New Chairman Jan P. Syse Profiled

36390041b Oslo AFTENPOSTEN in Norwegian  
30 Jan 88 p 2

[Commentary by Knut Bockman: "Chairman Syse's Personality Untouched by Controversy"]

[Excerpt] Effusively cheered by the people, Jan P. Syse was elected with acclamation last Sunday as the Conservative Party's first leader, for Mrs Kaci Kullmann Frie resigned as the party's last chairman. The many who thought that the title of the Conservative Party's foremost spokesman could be more a matter of opinion than a matter of sex were relatively indifferent to the change in name. Others reportedly maintained that the title chief would be most appropriate, sexually neutral as it is (as we know, a living Indian chief of the female sex has recently been found in America).

Rumors that some of the national congress delegates during their five [as published] o'clock tea on Saturday afternoon were to have launched an informal proposal concerning naming the Conservative Party's new leader "King Syse" (with the English pronunciation), however, will not carry truth. However, the idea could have come after reading DAGBLADET's staggering portrayal of Jan P. Syse's "slightly devilish charm" and Per Vassbotn's description of the "wizard from Frogner."

The latter is an extremely dubious characterization, inasmuch as Syse lives rather in Briskeby and unhaltingly belongs to the Uranienborg circle, something he himself has stressed very reprovingly on several occasions. He has also reminded us in an unassuming manner that his family comes from Ulvik in Hardanger, where wizards are in the palpable minority, and that it was later expanded, or perhaps watered down, through generations of residence in Notteroy.

#### Hopeless Family

The circumstance, regrettable for the evening news, that the Conservative Party's new standard bearer was elected unanimously and without the slightest trace of an opposing candidate has resulted in the fact that the media's interest has instead been concentrated on Syse's immediate family, where it was hoped to find signs of feuds and conflicts. A revolutionary son with multicolored punk hair would have done. But unfortunately it turned out that the eldest is studying economics at Yale, while the youngest delivers national congress speeches on conservative values, where he is certainly as acceptable as his father was at the same age. Therefore, the last possibility was Senior Lecturer Else Syse, the leader's wife in pure style, who, in connection with the affair, was photographed from all sides while she went on strike at Oslo Junior College of Business.

But when the Syse couple, as usual, threw their arms around each other and enjoyed a mutual toast of congratulation with whisky from Svalbard in the night time, parts of the press finally gave up.

Instead, they again fell upon Mrs Kullmann Five and Frogn Sellaeg, in the hope of being able to bring out new revelations. A high point was reached when it could be published that Mrs Frogn Sellaeg's husband has a daughter from his first marriage, who is a member of the family, and many expected a sequel that would reveal that Mrs Kaci Kullmann Five in all secrecy had been the child's day nurse, or something as scandalous. But when the matter also was not followed up through information that could indicate that Mrs Angela Channing had taken care of poisoning the cauliflower at home at Mrs Krystle Carrington's via the Conservative Party's agriculture program, disappointment fell over the news-conscious Norwegian people.

8831

#### Liberal Parties' Merger Facing Opposition

36390041c Oslo AFTENPOSTEN in Norwegian  
4 Feb 88 p 3

[Article: "DLF [Liberal People's Party] Rebels Say No to Fickle Party"]

[Text] The split is already under development in the planned fusion of the Liberal People's Party and the Liberal Party. "I refuse to stand for a kind of liberal legitimization for an unstable Liberal Party," emphasizes Trond A. Andersen as spokesman for the DLF in Trondheim.

"There has been an almost complete rejection of the merger idea the whole time in Trondheim and Trondelag. I personally have not met a single DLF supporter who has supported the Liberal Party's initiative," says Andersen, who adds that he and many with him in the DLF do not consider the Liberal Party a liberal party.

With reference to the fact that the two parties' national congresses must approve the pact before any merger is begun, Andersen figures that there still can be hope of avoiding what he considers a misalliance.

#### Slalom Skiing

He does not agree that a merger between the two parties will strengthen the political center.

"In my opinion liberalism is not a center ideology. And what is the so-called center now other than the board sledding and political slalom skiing of rootless vacillators and special-interest groups? It is true that this is an environment that the Liberal Party has had a stay in, and it is in itself true that the DLF has also talked about strengthening the traditional political center. But it has never been claimed that the center position has ideological moorings," Trond A. Andersen says in an interview with the Liberal Press Service in Trondheim.

#### "Typically Liberal Party"

Besides, he refers to the fact that "in typical Liberal Party fashion" confusion is being created concerning the merged Liberal Party's government preference.

"While the DLF has always come forth as a non-socialist party, the two parties' contact committee through the Liberal Party's Arne Fjortoft has now given the message that the voters will receive information in good time before the next general election concerning to what extent the party will support a Labor Party government or a non-socialist government. We in the DLF have no doubt concerning where we belong in this question. We have been invited to a 'liberal' coalition without knowing where the party will send us," Andersen says.

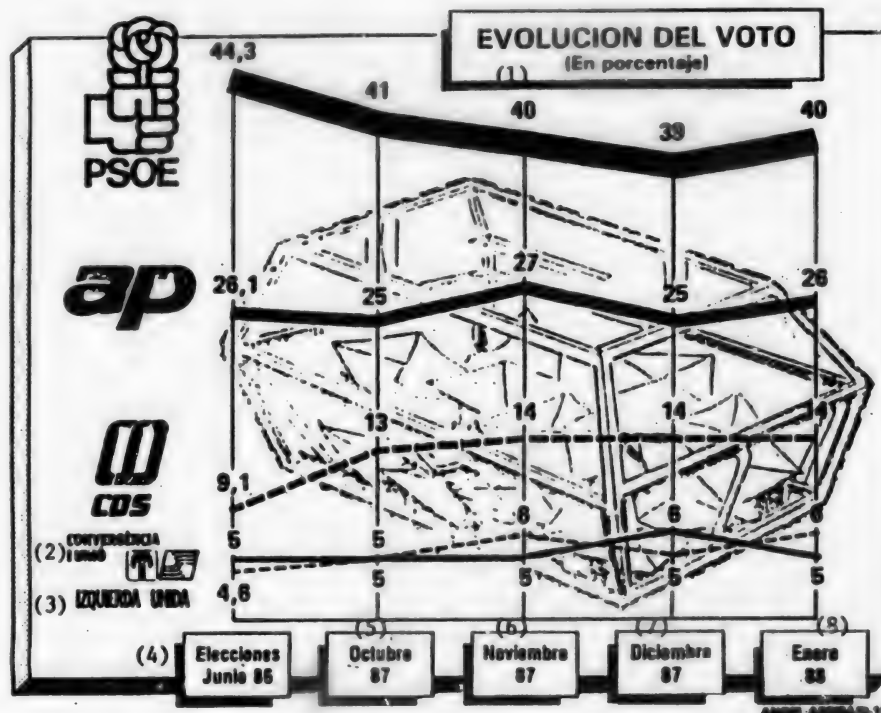
8831

#### SPAIN

#### Poll Reveals Slowdown in PSOE Popularity Loss

35480059a Madrid DIARIO 16 in Spanish  
17 Jan 88 pp 6, 7

[Text] PSOE [Spanish Socialist Workers Party] has managed to stop its downward trend, and in the latest Emopublica poll has already gained a point in its vote percentage. Nevertheless, the right of center parties (AP [Popular Alliance], CDS [Social Democratic Center], and CiU [Convergence and Unity]), combined, retain



Key: 1. Evolution of the vote (in %); 2. Convergence and Unity; 3. United Left; 4. June 86 elections; 5. October; 6. November; 7. December; 8. January

the last vote expectation of 45 percent. Gonzalez also confirms his leadership in the popularity rating, wherein only he and Suarez are approved by the electorate.

Madrid—According to the data procured by Emopublica and Associates, in a poll taken on 11 January and commissioned by DIARIO 16, the Spanish Socialist Workers Party has undergone a slight recovery in its electoral expectations.

Once again, the government party stands at the 40 percent level insofar as weighted voting intentions are concerned, having lost it for the first time in December, although it is very far removed from the quota attained in the June 1986 elections (see Table 1).

At the same time, the right of center parties have consolidated their position as an alternative bloc, carrying greater weight than the party which currently holds the majority. Popular Alliance, which gains a percentage point, Social Democratic Center, and Convergence and Unity have 45 percent of the votes, keeping the position that was achieved in the previous poll.

The three right of center parties also prove to be very consolidated individually. AP and CiU continue to have the electoral percentage of the June 1986 elections, and CDS has been repeating its 14 percent for 3 months.

These results indicate that, for the present, there has been a halt to PSOE's obvious downward tendency, and that the upheaval on the political scene has taken a breather. PSOE still shows a comfortable leading position. Although it may be claimed to have lost the absolute majority, it still keeps a distance of 14 points from its nearest follower, AP.

The current situation does not warrant the claim that PSOE is running the risk of losing the government, because no possibility of a coalition is evident among the right of center parties. For the right of center to procure more seats than PSOE, with its present voting expectation, it would have to run in the elections united. The D'Hont law benefits the large parties, and penalizes splinter groups.

As for direct voting intentions (see Table 2), PSOE appears strong; it enjoys a percentage more than twice that of AP, and three times that of CDS. On this occasion, the direct voting intention ranks AP far higher than CDS, whereas in last month's poll their quotas were equal.

The percentage of abstention is very high: one out of every nine Spaniards (10.8 percent) expresses his intention of not voting. If one adds to this fact the percentage of those grouped under the label "don't know/no

(1) **CUADRO INTENCION DE VOTO PONDERADA**

	(2) Enero 88	(3) Diciembre 87	(4) Noviembre 87	(5) Octubre 87	(6) Resultados elecciones junio 86
PSOE .....	40	39	40	41	44,3
AP .....	28	25	27	26	28,1
CDS .....	14	14	14	13	9,1
IU .....	6	5	6	5	4,6
CIU .....	5	6	5	5	5

(7) **RANKING DE POPULARIDAD**

(8) Calificación de los líderes políticos entre 1 y 10					
	(2) Enero 88	(3) Diciembre 87	(4) Noviembre 87	(5) Octubre 87	
Felipe González .....	6,11	5,98	6,03	5,93	
Adolfo Suárez .....	5,67	5,98	5,91	5,84	
Alfonso Guerra .....	4,70	4,50	4,60	4,61	
Manuel Fraga .....	4,52	4,78	4,64	4,66	
J. Antonio Ardanza .....	4,32	4,23	4,27	4,14	
Hernández Mancha .....	4,04	4,33	4,17	4,25	
Jordi Pujol .....	4,04	4,26	4,13	4,54	
Carlos Garaicoechea .....	3,82	3,84	3,91	3,86	
Gerardo Iglesias .....	3,61	3,61	3,62	3,60	

(9)

El clima electoral ha mostrado en el mes de enero una tendencia a la estabilización. El Partido Socialista frena su tendencia a la baja, mientras los demás partidos parecen estancados. La ligera recuperación del PSOE va acompañada por una mejor puntuación de sus dos principales líderes en el ranking de la popularidad.

Key: 1. Table 1: weighted voting intention (in %); 2. January; 3. December; 4. November; 5. October; 6. June 86 election results; 7. Popularity rating; 8. Grading of political leaders between 1 and 10; 9. In January, the electoral climate has shown a tendency toward stabilization. The Socialist Party has curbed its downward trend, while the other parties appear stagnant. PSOE's slight recovery is accompanied by a better score for its two main leaders in the popularity rating.

answer," numbering 24.5 percent, the abstention could be reckoned at about 35 percent, higher than that recorded in the four general elections that have been held.

#### The Leaders

The Socialist Party's slight recovery is also evident in the consolidation of its secretary general and the prime minister of the government, Felipe Gonzalez, in first place in the popularity rating; wherein, for the second time, he has managed to exceed the 6-point level (those polled rated the leaders from 1 to 10).

Another datum attests to this recovery: the party's vice secretary and the government's vice prime minister, Alfonso Guerra, has risen to third place in the rating for the first time, a point from Adolfo Suarez, and slightly ahead of Manuel Fraga.

Adolfo Suarez, CDS leader, has found his progress curtailed, and stands nearly half a point from Gonzalez. The complaints of his passiveness made during the past few weeks, and his apparent absence from the political contest, could explain the slump.

Otherwise, the popularity rating offers nothing very new: Manuel Fraga continues to receive a good rating, above that of his successor, Antonio Hernandez Mancha; while Jose Antonio Ardanza, head of the Basque government, is reaffirmed as one of the politicians with the best image in the country. The PCE [Spanish Communist Party] secretary, Gerardo Iglesias, ends the list with his usual quota.

The ratings received by the leaders are still very low. Only two of them, Gonzalez and Suarez, are approved by the electorate; for all the others, there is a failing mark.

#### Sympathy and Rejection

As in previous polls, CDS receives a good sympathy index (see Table 3); it is the second party of preference among AP and PSOE voters. But PSOE is not in a bad situation: one out of every five CDS voters, one out of every nine AP voters, and one out of every eight United Left (IU) voters might sometime cast a vote for it.



(1)

(2) Suponiendo que las elecciones generales al Parlamento se celebrasen mañana mismo, ¿qué partido votaría Vd. con más probabilidad? (7)																									
AUTOPOSICIONAMIENTO POLITICO										NIVEL ESTUDIOS					OCCUPACION					EDAD					
TOTAL	AP	CD	PSOE	UD	Centros	Quinto	Quinto	Quinto	Quinto	Primaria	Secundaria	Superior	Agente	Trabajador	Asalariado	Autónomo	Libre	10-20	21-40	41-60	61-80	HABITAT	milios de habitantes		
12.2	4.8	0.0	2.5	9.7	37.1	45.0	41.4	12.0	11.5	15.3	11.7	17.7	18.1	10.7	14.2	12.3	10.1	13.1	8.8	8.5	10.3	15.5	23.1	11.3	8.1
9.6	9.5	2.7	6.4	20.7	13.7	8.8	10.3	9.8	6.6	9.7	9.9	3.6	11.5	8.6	10.1	9.4	11.8	8.1	11.8	9.3	10.5	7.0	10.2	7.0	10.5
29.2	38.1	51.6	52.2	23.3	13.7	11.2	17.2	32.6	29.6	25.8	16.0	35.7	24.8	28.2	33.9	27.5	33.8	20.6	28.7	20.4	29.8	27.0	32.6	28.4	32.6
4.3	28.6	11.0	5.9	2.3	0.8	1.3	0.0	3.1	3.7	7.3	8.0	14.3	3.5	5.5	5.5	3.0	4.2	6.0	4.5	3.2	3.3	3.1	3.5	6.0	3.5

Key: 1. Table 2. Direct Voting Intention; 2. Supposing the general parliamentary elections were held tomorrow, for which party would you most likely vote? 3. Political self-description 4. Schooling level 5. Occupation 6. Age 7. Habitat (1,000's of inhabitants) 8. Extreme left 9. Left 10. Left of center 11. Center 12. Right of center 13. Right 14. Extreme right; 15. Primary 16. Intermediate 17. Advanced 18. Farmer 19. Business-professional 20. Skilled wage-earner 21. Manual wage-earner 22. Unemployed 23. Over 24. Under 25. Popular Alliance 26. Social Democratic Center 27. Spanish Socialist Workers Party 28. United Left

(1)

		INTENCION DE VOTO EN ELECCIONES GENERALES					(A) NIVEL ESTUDIOS					(12) OCUPACION					EDAD					HABITAT (Miles de habitantes)				
		TOTAL	AP	CD	PSOE	UD	Primaria	Secundaria	Superior	Profesional	Agente	Trabajador	Asalariado	Autónomo	Libre	10-20	21-40	41-60	61-80	10-20	21-40	41-60	61-80			
Alianza Popular (AP) (18)		14.5	92.6	12.1	3.7	0.0	13.6	14.0	21.0	14.7	10.7	18.6	10.7	13.3	14.7	15.6	10.7	15.1	15.6	15.6	15.6	15.6	15.6			
Centro Democrático y Social (CDS) (19)		15.7	17.6	88.7	10.5	3.8	15.0	14.4	18.4	17.9	10.7	20.4	17.3	17.4	13.5	17.6	17.4	19.0	12.8	15.7	16.0	16.2				
Partido Socialista Obrero Español (PSOE) (20)		34.5	11.5	20.7	96.0	13.5	37.2	35.0	33.1	22.0	39.3	30.1	34.5	39.9	32.1	41.2	37.5	35.0	32.3	36.7	32.0	37.8				
Unión del Pueblo (UP) (21)		5.8	1.4	0.9	4.0	88.5	4.0	5.8	9.7	11.1	14.3	5.3	7.7	6.9	4.3	7.4	8.8	6.6	3.7	5.7	5.1	5.8				

Key: 1. Sympathy Index 2. Supposing the general parliamentary elections were held tomorrow, which parties would have any chance of being voted for by you? 3. Voting intention in general elections 4. Schooling level 5. Occupation 6. Age 7. Habitat (1,000's of inhabitants) 8. Primary 9. Intermediate 10. Advanced 11. Farmer 12. Business-professional 13. Skilled wage-earner 14. Manual wage-earner 15. Unemployed 16. Over 17. Under 18. Popular Alliance 19. Social Democratic Center 20. Spanish Socialist Workers Party 21. United Left

(1)

(2) Suponiendo que las elecciones generales al Parlamento se celebrasen mañana mismo, ¿qué partidos no votaría en ningún caso?														
(3) INTENCION DE VOTO EN ELECCIONES GENERALES														
(4) NIVEL ESTUDIOS														
(5) OCUPACION														
(6) EDAD														
(7) HABITAT														
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### Two Different Profiles

	Voters (*)	Delegates (**)
Sex		
Men	52.5	93.4
Women	47.2	6.6
Age	43.2	39.4
Level of schooling		
Primary and intermediate	92.7	30
Advanced	7.3	70
Occupation		
Farmers	2.8	3.8 (***)
Businessmen and professionals	7.9	17.5
Skilled wage-earners	17.5	32
Manual wage-earners	20.9	8.1
Inactive	43.8	2
Unemployed	6.1	0.1

(\*) Data from Emopublica poll taken 11-1-88

(\*\*) Data procured by DIARIO 16 (Lourdes Camino, Rafael Quintero and Francisco Frechoso)

(\*\*\*) Data provided by PSOE's Secretariat of Organization

high-level academic training. They also appear slightly more inclined toward the field of business management and professional practice, apart from that of the proletarian world.

To begin with, only 57 of the 861 delegates (6.6 percent) are women. There is retained here one of the most evident flaws of the Socialist Party (and of all parties in general): namely, the considerable inequality between sexes that occurs in their leadership positions. The parties' leadership is male. The parties also adhere to what is customary, and the majority of their executives are men, as in the business world. The problem has been complained of several times by some of the women holding leadership positions in PSOE, but its solution is still far off.

The delegates' middle age is slightly less than that of the voters, but it has undergone a biological increment. It has been 2 years since the last congress, and it is likely that, at this rate, a balance will soon be reached. This is a very telling fact, because it gives the impression, among other things, that the generational renewal is minimal or non-existent among the delegates, and that virtually the same graduating class which took control of the party several years ago is still dominant in PSOE.

As for the schooling level, a considerable disparity is evident between delegates and voters. Whereas only one out of every 14 voters can display a higher degree, the vast majority of delegates (seven out of every 10) have taken a university course. PSOE's leadership group is also an academic elite, with a cultural disposition quite different from that of the social group bestowing its favor upon it at the polls.

There is no doubt that the 861 delegates comprise what is regarded socially as a happy professional group, since they appear to be "fulfilled," well paid, and dissociated from the tragedy of unemployment. The party's secretary of organization, Txiki Benegas, went so far as to admit that he was unaware of the existence of an unemployed person among the congress members, who was discovered by DIARIO 16. His presence makes it possible to bring into the eminent minority the voice of the legion of 3 million jobless Spaniards; but it is only testimonial, and of course not proportionate to the percentage of unemployed voters (6.5 percent of the Socialist voters belong to this new class of disinherited persons).

Somewhat the same holds true of the manual wage-earners, who are an almost irrelevant minority in the congress (one out of every 12 delegates); whereas, in reality, they provide the party with a fifth of its votes. The bulk of the delegates is comprised of small businessmen and industrialists, professionals, and skilled wage-earners. Teachers and public employees predominate, PSOE having become entrenched in their areas some years ago.

The occupational profile of the congress delegates is inverse to that of the voters. While the latter become more numerous as the wage scale declines, with as many as 43.8 percent in the inactive group, the former multiply in the category of skilled jobs, and the often exaggerated secure payroll. And all this without counting the profusion of public offices, which will remain one of the birthmarks of the congress.

The delegates with positions in the administration (many of whom have not declared a profession, which is why they are not included in the table) number 640, and

hence account for 77 percent of this lucky group. The congress will be dominated by ministers, undersecretaries, general directors, deputies, and local, regional, and autonomous authorities; all of whom will make certain that the PSOE representation has nothing in common with the sociological profile of its voters. In fact, it will be a very special representation.

2909

# **Poll Detects Little Popular Interest in PSOE Congress**

35480060 Madrid DiARIO 16 in Spanish  
26 Jan 88 p 13

[Excerpts] Madrid—According to a poll taken for EL PAIS by the Demoscopia Institute, the assignment of a fixed representation quota of 25 percent to women is the conclusion cited as ranking first as the most important of those adopted at the 31st Federal Congress of PSOE [Spanish Socialist Workers Party], which closed in Madrid on Sunday. Concretely, the 25 percent reserved for them in all the party's leadership bodies and on the electoral slates is the preeminent decision, according to one out of every four persons polled. Similarly, a majority of citizens (38 percent) think that, after the congress, there should be changes in the government; while 24 percent believe that there should not be any.

This issue proves to be an indifferent one for over a third of Spaniards, judging from their lack of response in either direction.

Ranking second in importance after the conclusion relating to women are the socioeconomic proposals, mentioned by one out of every five; and, finally, the proposal for greater federalization for the state that is indicated by one out of every seven citizens. Nevertheless, the socioeconomic proposals are the ones which appear to evoke, if not the highest degree of interest, at least the most homogeneous concern: In fact, one out of every five interviewed, in each and every one of the different geographical contexts considered, cites them.

The majority favoring a change in government proves to be especially large in Barcelona (58 percent), exceeding the level in Madrid by 20 points (equivalent to a proportion higher than 30 percent). Otherwise, on this issue there is no significant difference between the provincial capitals as a whole and the rest of the municipalities; except that, in the latter, the percentage without answers is higher. The allocation of a fixed quota of 25 percent in the Socialist leadership bodies to women, which on the whole is the conclusion most highly assessed by the public (concretely, by one out of every four Spaniards), and the tendency toward greater federalization of the state, are, on the other hand, clearly more highly assessed in Barcelona than in the rest of Spain.

On Sunday, the 31st PSOE Congress ended in Madrid. With how much interest did you follow the news on this congress"

## Percentages

	National total	Madrid	Barcelona	Combined capitals	Rest of the municipalities
Much	3	1	4	3	2
Considerable	6	6	7	5	6
Some	17	21	24	19	15
Little	23	17	42	21	24
None	38	43	16	41	36
Don't know/no answer	13	12	7	11	17
Total (N = 800)	100	100	100	100	100

In your opinion, did this PSOE Congress deal with issues which interest and affect persons like you, or did it deal with matters only of interest to the Socialist Party?

## Percentages

	National total	Madrid	Barcelona	Combined capitals	Rest of the municipalities
Persons like you	24	21	20	24	23
Only PSOE	34	41	56	38	31
Don't know/no answer	42	38	24	38	46
Total (N = 800)	100	100	100	100	100

After the congress, would you say that the Socialist Party has changed, or has it remained the same?

Percentages

	National total	Madrid	Barcelona	Combined capitals	Rest of the municipalities
Has changed	15	13	15	12	18
Remains the same	50	58	62	55	46
Don't know/no answer	35	29	23	33	36
Total (N = 800)	100	100	100	100	100

Which of these three congress conclusions seems most interesting to you?

Percentages

	National total	Madrid	Barcelona	Combined capitals	Rest of the municipalities
The socioeconomic proposals	18	19	18	19	17
Assigning 25% of the party's leadership posts to women	23	22	40	26	21
Greater development of the state based on federal type model	13	6	24	9	17
Don't know/no answer	46	53	18	46	45
Total (N = 800)	100	100	100	100	100

Do you think that, after this PSOE Congress, there should be changes of ministers in Prime Minister Gonzalez' government?

Percentages

	National total	Madrid	Barcelona	Combined capitals	Rest of the municipalities
Yes	38	39	58	39	36
No	24	23	16	27	22
Don't know/no answer	38	38	26	34	42
Total (N = 800)	100	100	100	100	100

**Lack of Interest**

The majority of the population has not followed the PSOE Congress with too much interest. Apart from the fact that it was held over the weekend, when the TVE [Spanish Television] and radio audiences are smaller than during the week, it should be noted that the degree of public attention to the Socialist Congress is similar to that on the occasion of certain parliamentary debates in 1987, or during Felipe Gonzalez' appearances on TVE.

Three out of every four citizens have not paid any attention to the event; while only one out of every 10 has followed it with considerable or great interest. In this respect, there are no significant differences between Madrid and Barcelona, nor between capitals and the other municipalities in the country.

Among those with an opinion on the congress, there are more who think that it has dealt with matters only of concern to PSOE than the opposite. A total of 24 percent of the citizens believe that the congress issues are of concern to individuals such as they, but 34 percent think that the concern is only partisan. In large capitals, such as Madrid and Barcelona, the opinion appears to be particularly skeptical on the general interest of the debates of a congress such as that of PSOE.

The vast majority of Spaniards (50 percent) do not think, after this congress, that PSOE has changed; and, on the other hand, only one out of every six thinks that the congress signifies changes in the government party. This opinion seems to be distributed evenly throughout the entire national territory, although there is a statistically

significant difference between the computation for the capitals and that for the other municipalities. In the latter, it is thought, in a proportion that is approximately a third higher than in the capitals as a whole, that PSOE has changed with this congress.

#### Technical Record of the Poll

Taken by the Demoscopia Institute, Inc. under the direction of sociologists Rafael Lopez Pintor and Jose Juan Toharia, out of a national sample of 6000 persons over age 18, and of both sexes, in municipalities with over 2,000 inhabitants (covering 92 percent of the Spanish population). Confidence level, 95.5 percent; and margin of error, + or - 5 percent for overall data. Final selection of those interviewed in the domicile by the random route system, fulfilling sex and age quotas. The interviews were held on Monday, 25 January.

2909

#### Poll Shows Public Opinion to Left of PSOE

35480063 Madrid TIEMPO in Spanish  
1 Feb 88 pp 18-21

[Excerpts] Pablo Castellano and Nicolas Redondo have not been the only ones absent from PSOE's 31st Congress. There were nearly 9 million PSOE voters left outside the Palace of Congresses in Madrid. The opinions of these absent persons differ greatly from those of the government and the congress members; and, in particular, from the optimism voiced by Gonzalez in his opening address last Friday. The voters' opinion is clear: a shift to the left is needed.

According to an emergency poll taken by TIEMPO among 1,000 persons who voted for the Socialists in the last elections, the differences are obvious: The majority think that the electoral program is not being implemented, are positioned more to the left than the government, and believe that the latter has benefited businessmen more than workers, and that the charges of "favoritism" leveled against the Socialist leaders are justified.

There is no doubt. The Socialist voters are not enthusiastic about the implementation of PSOE's electoral program: 11.5 percent consider the degree of implementation to be "very low"; 20 percent describe it as "low"; the largest group (41.6 percent) confines itself to calling it "average"; and only 2.4 percent dare to term it "very high."

Men and women, young and old, hold similar opinions on this subject. Only at the brink of age 45 (considered the border at which "maturity" begins) is a clearcut line drawn: The younger tend more to describe the degree of implementation of the program as "high"; and there are more (5 percent) women than men who hold that same view.

It is not odd: There are clearcut differences between the ideology that Socialist voters ascribe to themselves and the adjective that they use when it is time to try to describe the predominant thinking in the government.

Of those polled, 54 percent call themselves "progressive" or "of the left," and only 37.2 percent regard these terms as fitting to describe the government.

Those defining themselves as "Marxists" are twice (3.1 percent) as numerous as those regarding the government as Marxist (1.7 percent). A similar difference is noted among those who claim themselves to be "Social Democrats" (only 29.6 percent) and those who term Felipe Gonzalez' cabinet as such (44.4 percent).

Times change and labels change also: When it is time to describe themselves, the older Socialist voters prefer to use the term "of the left," which is perhaps fashionable. Most of the youth claim to be "progressives."

#### Businessmen, Benefited

Who said that PSOE was a federalist party? Its voters do not appear to have found this out. There were very few (only 17.7 percent) voicing agreement with the Catalan Socialist leader, Raimon Obiols, when he began proposing that the 31st Congress should lay out a policy that would evolve in the direction of the federal state.

Generally speaking, the thinking of the Socialist voters differs little from that of the major absentees from the congress: the leaders of the Socialist trade union, UGT [General Union of Workers]. The agreement between voters and dissidents is clear: There are far more who believe that the government's policy has benefited businessmen than those claiming that it has been the workers who have taken the biggest "slice" in recent years.

In all, 23.3 percent of the voters claim that businessmen have benefited "much," while only 2.1 percent say the same of the workers. According to 42.6 percent, businessmen have gained "considerably" with the "change," and only 26 percent think that the same thing has happened to them as to the workers.

The policy on pensions appears to have worked miracles: Only 27.5 percent of those over age 65 claim that PSOE has benefited the workers "little." Nevertheless, the percentage of voters under 30 who hold this view amounts to 41.7 percent. Hence, these positions are very far removed from those expressed by Felipe Gonzalez in his opening address at the congress last Friday.

There is no doubt that the priorities of those voting and those voted for run in very different directions. Between those who cast their vote for PSOE and the government which emerged from those elections, there is the same difference as the one between the PSOE members and the delegates representing them at the 31st Congress.



(1)

¿CREE USTED QUE LAS ACUSACIONES DE "AMIGUISMO" Y "FAVORITISMO HACIA SUS PROPIOS MILITANTES", ETC., ESTAN MUY, BASTANTE, ALGO, POCO O NADA JUSTIFICADAS?	
	TOTAL (%)
Muy justificadas (2).....	17.7
Bastante justificadas (3).....	19.8
Algo justificadas (4).....	21.9
Poco justificadas (5).....	20.0
Nada justificadas (6).....	15.0
NS/NC (7).....	5.9

LA POLITICA QUE DESARROLLA EL PSOE, ¿EN QUE MEDIDA CREE USTED QUE BENEFICIA A LOS EMPRESARIOS?	
	TOTAL (%)
Mucho (9).....	23.3
Bastante (10).....	42.6
Igual que otras (11).....	22.7
Poco (12).....	5.7
Nada (13).....	2.7
NS/NC (7).....	3.1

LA POLITICA QUE DESARROLLA EL PSOE, ¿EN QUE MEDIDA CREE USTED QUE BENEFICIA A LOS TRABAJADORES?	
	TOTAL (%)
Mucho (9).....	2.1
Bastante (10).....	26.0
Igual que otras (11).....	23.6
Poco (12).....	35.1
Nada (13).....	11.0
NS/NC (7).....	2.1

¿EN QUE MEDIDA CONSIDERA USTED QUE LA POLITICA DE LOS SUCESIVOS GOBIERNOS DEL PSOE HA BENEFICIADO A LA CREACION DE EMPLEO?	
	TOTAL (%)
Mucho (9).....	1.7
Bastante (10).....	15.9
Algo (16).....	28.9
Poco (12).....	24.8
Nada (13).....	27.8
NS/NC (7).....	1.0

¿CREE USTED QUE CAMBIARA LA POLITICA DEL GOBIERNO COMO CONSECUENCIA DE ESTE CONGRESO EN POLITICA DE DESEMPLEO?	
	TOTAL (%)
Cambiará (18).....	32.0
No cambiará (19).....	51.8
NS/NC (7).....	16.2

Key to Tables 1-5: 1. Do you think that the charges of "favoritism toward its own members," etc., are very, considerably, somewhat, little, or not at all justified? 2. Very justified 3. Considerably justified 4. Somewhat justified 5. Little justified 6. Not at all justified 7. Don't know/no answer 8. To what extent do you think the policy executed by PSOE benefits businessmen? 9. Much 10. Considerably 11. Same as others 12. Little 13. Not at all 14. To what extent do you think the policy executed by PSOE benefits workers? 15. To what extent do you think the policy of the consecutive PSOE governments has benefited creation of employment? 16. Somewhat 17. Do you think that the government's policy on unemployment will change as a result of this congress? 18. Will change 19. Will not change

The average age of the 861 congress delegates was 36 years; that of the Socialist members is 45. Of the delegates, 6.6 percent were women; whereas, in the party, the number of female members amounts to 15.5 percent.

The PSOE voters seem to be aware of this inequality: 39.3 percent claim that the PSOE policy has benefited women "little" or "not at all." In this respect, there is a wide range of skeptics (30.6 percent), who have not discerned any change between the Socialist cabinets and those preceding them.

The opinion is even worse when reference is made to the benefits accrued by the youth: 43.8 percent of the Socialist voters claim that "little" or "nothing" has been done

for those of younger age; and 27.2 percent have not noted any difference since the Socialists' arrival in power over 5 years ago. Naturally, the youth and women under age 30 who are Socialist voters voice more criticism than others in assessing the policy that it has been attempted to make regarding them: 56.8 percent and 49.5 percent are "little" or "not at all" satisfied.

Out of every 100 persons who decided on the future of the government party last weekend, 70 have university schooling. Among PSOE members (although the number in public office has risen to 20 percent), there is still a broad base of manual workers (40 percent). Considering the deepseated differences that exist between those voting and those voted for, and between members and

(1) LA POLITICA QUE DESARROLLA EL PSOE, ¿EN QUE MEDIDA CREE USTED QUE BENEFICIA A LA JUVENTUD?	
	TOTAL (%)
Mucho (2).....	3.1
Bastante (3).....	23.8
Igual que otras (4).....	27.2
Poco (5).....	28.3
Nada (6).....	17.5
NS/NC (7).....	2.1

(8) LA POLITICA QUE DESARROLLA EL PSOE, ¿EN QUE MEDIDA CREE USTED QUE BENEFICIA A LA MUJER?			
	TOTAL (%)	(9) SEXO	
		HOMBRE (10)	MUJER (11)
Mucho (2).....	3.1	4.7	1.7
Bastante (3).....	24.4	25.4	23.5
Igual que otras (4).....	30.8	31.8	29.4
Poco (5).....	27.8	25.2	29.9
Nada (6).....	11.7	9.9	13.4
NS/NC (7).....	2.8	3.1	2.1

(12) PARA USTED, EL TERMINO QUE MEJOR SE AJUSTA A LA IDEOLOGIA QUE PREDOMINA EN LA ACTUAL POLITICA DEL GOBIERNO, ES...	
	TOTAL (%)
Marxista (13).....	1.7
Socialdemócrata (14).....	44.4
Progresista (15).....	18.7
De izquierdas (16).....	20.5
Otros (17).....	7.4
NS/NC (7).....	9.4

Y USTED PERSONALMENTE, COMO VOTANTE DEL PSOE, ¿SE (18) AUTOCALIFICA DE...?	
	TOTAL (%)
Marxista (13).....	3.1
Socialdemócrata (14).....	29.8
Progresista (15).....	19.5
De izquierdas (16).....	34.5
Otros (17).....	3.3
NS/NC (7).....	10.0

(19) ¿EN QUE GRADO CONSIDERA USTED QUE SE ESTA CUMPLIENDO EL PROGRAMA DEL PSOE?							
	TOTAL (%)	(9) SEXO		(20) EDAD			
		HOMBRE (10)	MUJER (11)	18-29 AÑOS (12)	30-45 AÑOS (13)	46-64 AÑOS (14)	+65 AÑOS (15)
Muy alto (22).....	2.4	3.1	1.7	2.1	3.1	2.9	2.1
Alto (23).....	23.7	24.2	23.1	20.9	21.0	28.1	23.8
Medio (24).....	41.8	41.5	41.6	41.2	40.3	40.8	45.5
Bajo (25).....	20.0	17.8	22.3	23.2	23.3	17.2	15.1
Muy bajo (26).....	11.5	13.4	9.8	14.3	11.2	9.3	12.4
NS/NC (7).....	0.8	0.2	1.5	0.4	1.1	0.5	1.7

Key to Tables 6-10: 1. To what extent do you think the policy executed by PSOE benefits the youth? 2. Great 3. Considerable 4. Same as others. 5. Slight 6. Not at all 7. Don't know/no answer 8. To what extent do you think the policy executed by PSOE benefits women? 9. Sex 10. Men 11. Women 12. To you, the term best suited to the predominant ideology in the current government policy is... 13. Marxist 14. Social Democratic 15. Progressive 16. Of the left 17. Others 18. How do you personally, as a PSOE voter, describe yourself? 19. To what degree do you think the PSOE program is being implemented? 20. Age 21. Years 22. Very high 23. High 24. Average 25. Low 26. Very low

delegates, it comes as no surprise that dissension should arise. Thus, the voters of this party have joined in the criticism that is perhaps most common among all Spaniards: there is "favoritism" in PSOE.

#### Not Keeping Promises

A total of 59.2 percent of Socialist voters think that this assertion is "somewhat," "considerably," or "very" warranted. Only 35 percent claim that it is "little" or "not at all" justified.

The Socialist voters also join in another of the main criticisms made of PSOE by the majority of the Spanish population: the failure to keep that promise of the fall of 1982, to create 800,000 jobs.

The PSOE governments have benefited the creation of employment "little" or "not at all," according to 52.6 percent of the Socialist voters; while 28.9 percent claim that "something" has been accomplished in this regard, 15.9 percent call it "considerable", and only 1.7 percent term it "much."

The criticism of the government by Socialist voters extends to other sectors as well: 42.5 percent think that the PSOE governments have done "little" or "nothing" to improve the citizens' security. The same view is held by 35.7 percent on unemployment insurance by 34.6 percent regarding health, and by 33.4 percent on pensions. The antiterrorist battle undertaken by the Socialists raises less criticism: only 25.8 percent of Socialist voters say that "little" or "nothing" has been done.



The TIEMPO poll was taken just 2 days before the opening of the 31st PSOE Congress in Madrid; but that party did not appear to arouse much hope for "change" among its voters. Most of those queried thought that the congress would change but few things in the government's policy; and, furthermore, the percentage of "don't know/no answer" responses reached high levels (between 16 and 28 percent). Only one question aroused hope for change among PSOE voters who ventured to gauge the results of the congress: the government's relations with UGT. This point was the only one of those brought up by TIEMPO on which there was a majority of persons (43.5 percent) believing that innovations would occur, although the number of skeptics was also high: 39.6 percent thought that nothing would change.

#### Technical Record

Execution: Sigma Dos, Inc. Universe: PSOE voters. Scope: Spain. Sample: 1,000 interviews, with a possible error of + or - 3.2 percent for a confidence interval of 95.5 percent (two sigma), and p/q = 50/50, according to the Arkin and Colton tables. Selection: random, based on the system of quotas by sex, age, and occupation. Interview: personal. Date of field work: 20 January 1988. Direction: Carlos Malo de Molina.

2909

## SWEDEN

### Diplomats Urge Tougher Stance in Handling USSR

36500065a Stockholm SVENSKA DAGBLADET  
in Swedish 8 Jan 88 p 6

[Article by Lars Christiansson]

[Text] Many Swedish diplomats who have experience with the Soviet Union and East Europe are critical of the government's policy toward the East. The government should tighten up its security and neutrality policy, formulate a coherent policy towards the East, and properly strengthen its armed forces. That sums up the criticism.

The criticism has been expressed to the leadership of the Ministry of Foreign Affairs [UD] both verbally and in writing at ambassadorial meetings and during seminars, in diplomatic reports, and in internal memos.

The Soviet Union has the greatest respect for a strong, determined, and straightforward antagonist who is both willing and able to defend its independence with armed force, say the diplomats.

#### Inconsistent

On the basis of internal UD material and conversations with Swedish diplomats, SVENSKA DAGBLADET is able to report on what the critics say Sweden's policy toward the East should be like.

Among experienced diplomats, there is one common and clear opinion: Swedish policy toward the Soviet Union is not sufficiently coherent, consistent, and determined.

The criticism also concerns the government's defense policy, which does not assign enough priority to strengthening the armed forces for the purpose of emphasizing clearly and unquestionably that the government's political statements are backed not only by a firm determination but also the ability to show by armed force that Sweden means what it says. The Soviet Union must also realize that the armed forces are going to get the necessary funds, say the critics.

Prime Minister Ingvar Carlsson described the government's strategy for coping with the submarine intrusions in connection with the report by the OB [supreme commander of the armed forces] on submarine intrusions just before Christmas. At the time, Carlsson talked about an aspiration to become better at submarine chases while at the same time raising the political price the intruding nation would have to pay if caught.

The idea is that a nation which has expressed "unconditional respect for Sweden's traditional neutrality policy" would not dare run the risk of exposure and would therefore refrain from further submarine intrusions. According to the government, exposure would cause a tremendous loss of political prestige.

The phrase quoted above is from General Secretary Mikhail Gorbachov. He said it to Prime Minister Ingvar Carlsson in Moscow in April 1986. Pierre Schori, under secretary of state for foreign affairs, and other government spokesmen expressed great satisfaction with Gorbachov's assurances at the time.

An obvious feature of the government's strategy has been a normalization of relations with the Soviet Union and exchanges of visits at the highest level.

#### "Naivete"

In a memo giving viewpoints on the government's policy toward the East, one prominent Swedish diplomat writes:

"What is needed overall is a more self-confident attitude than normally seems natural for us placid Swedes. We always try for as long as possible to avoid taking a stand on anything that is fraught with conflict, unfamiliar, or unpleasant. But the world no longer operates in such a way that we can afford such sweeping naivete.

"On the other side of the Baltic Sea, and excluding Finland, there are three communist states—the Soviet Union, Poland, and the GDR—all of which carry on intensive peacetime intelligence and penetration activity, well-coordinated within the Warsaw Pact, against Sweden. Therefore we simply cannot afford not to have our own coherent security policy toward the East and one that is fairly well coordinated internally."

The diplomats would like to see more thorough analyses of what the greater interest being shown in the northern flank by the military alliances means as far as Swedish security is concerned.

The UD should make a more thorough analysis of Sweden's situation from the standpoint of Soviet security policy. Among other things, the object should be to make a closer study of the permanent features of Russian big-power politics.

The critics also feel that studies of the Soviet Union as a negotiating partner, which have started but are not yet complete, must continue. The UD should thoroughly review Swedish security policy from the standpoint that the Swedish approach—freedom from alliances in peacetime aimed at neutrality in wartime—remains firm. The UD should work out proposals for coordinating Swedish policy on East Europe. Special attention should be paid to the Soviet Union's dominant role in the Eastern bloc.

#### **Respect for Strength**

The opinion among SVENSKA DAGBLADET's sources is that those studies will underscore the conclusion that the Soviet Union has the greatest respect for a strong, determined, and straightforward antagonist who also has the actual means required for defending his territory by force of arms.

A strong Swedish defense force capable of defending Swedish territory in peacetime as well as wartime must be one of the most important considerations when East and West are assessing the credibility of Swedish neutrality policy.

#### **Pressure on Sweden**

In 1985, the UD made a study of how the Soviet Union views Sweden's neutrality policy. One point was that the Soviet Union seems to have a clear peacetime interest in seeing the Swedish neutrality policy endure. On the other hand, it was considered doubtful whether that would ensure Soviet respect for Swedish neutrality in the event of war. It also emerged from the study that in peacetime, the Soviet Union systematically tests Sweden and puts pressure on it to ascertain the limits of Soviet influence. It was also pointed out that the connection between Soviet thinking in peacetime and wartime is probably

weaker than Sweden's emphasis on the credibility of its neutrality policy says it is. The connection between Soviet behavior in peacetime and wartime is probably weak.

The government officially claims that Sweden cannot allow the submarine intrusions to influence relations with the Soviet Union, its reason being that there is no proof of which nation is behind those intrusions. That attitude is not free of problems when it comes to the need for a tougher policy towards the East, say several of the diplomats with whom SVENSKA DAGBLADET spoke. There should be a better analysis of how those statements are interpreted in the Soviet Union. At the same time, there is also reason to consider how those stands are interpreted in Washington.

The diplomats feel that several specific measures are needed. For one thing, there should be more awareness not only among diplomats but also among politicians and others who have contact with those countries.

This has reference to such basic matters as the fact that Soviet representatives do not think as we do and have different goals than ours. Many diplomats who have a great deal of experience with East Europe are constantly calling attention to the pitfall in thinking which says that basically, we and the Soviet representatives have coincident interests in peace and detente. Not until it is realized that the goals are different will it be possible to carry on a realistic dialogue favorable to Swedish security interests.

The leadership of the UD has been urged to coordinate the attitudes that various official representatives should adopt toward the Soviet Union in particular. While Sweden should keep dialogue open and take a positive attitude toward contacts, it must be more willing at all levels to put its foot down where Swedish national security issues are at stake.

#### **Clear Indication Urged**

One idea suggested to the UD's leadership is that on the basis of new and thorough analyses, the prime minister or the minister of foreign affairs should deliver a so-called policy speech in which a new and tougher Swedish policy on East Europe would be clearly indicated.

In that speech, Sweden should declare that our intention is to beef up our armed forces perceptibly so as to increase our chances for staying out of a possible war and thereby contributing to stability in northern Europe, that Sweden intends to further strengthen its military ability to take action in response to violations of its territory, and that none of this will alter its neutrality policy in any way.

But one high-ranking UD official points out that a speech of that kind, with its signals of more consistent behavior toward the Soviet Union, will require that we

actually do strengthen our armed forces and that our politicians also use plain language. Otherwise, such a speech would produce the opposite effect.

### **Pessimistic**

Most of the diplomats with whom SVENSKA DAGBLADET spoke are pessimistic, however, about the chances for a tightening-up of our policy toward the East. A stronger defense force costs money, and the current government is not interested in such investments. Coordinating a stricter toward the East would put the government's more idealistic peace policy to the test. One assessment is that among government representatives, the fear exists that more straightforward coordination and a tougher attitude in all relations with the Soviet Union would be met with a tough attitude toward Swedish initiatives on behalf of peace and disarmament.

11798

### **VPK Chairman Werner Gains Increased Support in Feuding Party**

36500071 Stockholm DAGENS NYHETER in Swedish  
7 Feb 88 p 12

[Article by Kaa Eneberg]

[Text] The Left Party Communists (VPK) are entering into a [parliamentary] campaign with severe internal tensions, which may wind up in forcing the party from the Riksdag. But support for party leader Lars Werner is greater than a year before.

This is seen from conversations which DAGENS NYHETER had with active VPK members. Criticism is most sharply directed against the party leadership, which is pulling in different directions.

In the Riksdag group, with around 20 members—smallest in the Riksdag—there have long been concerns and uneasiness, now clearly reflected, about the party organization. The membership rolls are declining, and particularly in the cities it has proved difficult to mobilize the foot soldiers for a hard campaign fight.

### **Serious Analysis**

DAGENS NYHETER has discussed the situation in the party with some 30 active party members, including—with few exceptions—the entire Riksdag group. All have seriously analyzed the situation and proposed solutions. Anonymity has been promised, despite no one having requested it.

Common throughout is the sense that the open criticism which was aired against party leader Werner personally in advance of the dramatic party congress in May has abated. Many who earlier chose to see him go now support him "because there is no one else." Many

criticize the dynamic and irascible VU (Communist Youth) Chairman Jorn Svensson, who is seen as the one causing concerns with NY DAG, the party organ.

Criticism against the party leadership, however, mainly involves the leadership collectively as a whole. Werner Svensson and Deputy Chairman Viola Claesson have personalities which are too strong, and "pull in different directions." Even people who do not usually resort to employing psychological terms speak of there being "the wrong personal chemistry." [Parliamentary] group leader Bertil Mabrink, on the other hand, is "nice but too weak" to hold the group together.

### **Ideological Crisis**

"People everywhere out in the movement are surely wondering what we in the Riksdag are really doing when we feud openly, instead of first discussing through the matter internally and then loyally support adopted decisions. A little party must do this," say the VPK members.

All have expressed criticism against interpretations that the party stands in the midst of an ideological crisis—that Werner is more willing to cooperate and is more reformist, and that Svensson is a more doctrinaire "Leninist."

"It's quite to the contrary, since Lasse [Lars Werner] had to put the brakes on a lot when it comes to making agreements. Had Jorn [Svensson] been able to decide, he would have sold out the entire party. He has zealously sought cooperation [with the Social Democrats in the Riksdag].

Many think that the factions have differing compositions, depending on the nature of the issues. It is not the same people who are for and against the gasoline tax hike and the party leadership's takeover of NY DAG.

### **Practical Problem**

The situation in the party is described by everything from "crisis" to "collapse," and "somewhat worrisome." Something which no one denies is that they are having a hard time and that this is being watched out in the field. They are afraid that there "has been a little too much said in the machinery." However, most just laugh right out when they hear the word "crisis."

"Don't come and speak of a crisis today, since we only have practical concerns which are going to be taken care of. During the seventies it would have been possible to speak of a crisis, because then the party was split into the APK [Communist Worker's Party] and the VPK," said a veteran.

A third of the members will leave the Riksdag in the fall, most after a long and loyal service in the parliament and in the field. Many have said they were disappointed.



They are critical of the fact that all the agreements and compromises have continued to put the party in a bind. They are also tired of the behavior of the party leadership internally and within the group.

#### Working Loyally

"If it were involving an ideological struggle, I would struggle on, but when it's only a matter of a power struggle, then I prefer to go," said one.

Most intend to keep on working loyally, since there is seen nothing wrong in policies, and because it is easier to influence societal trends out among "the grass roots" than in the Riksdag.

Common throughout is the belief that the VPK is seeking faith in the thesis that the policies of the Left are standing before a new renaissance, a new up-swing during the decade of the nineties. The decade of the eighties, with its strong and now diminishing conservative wind, is now seen as lost.

"So-called comrades who let the champagne corks pop because Lasse had a loss of prestige at the congress last year are people with whom I will have nothing to do."

#### Irony of Fate

Among the veterans, there is a clear sense of exhaustion because one "never gets any peace to work."

"It is somewhat of an irony of fate that the new conflicts are because the party for the first time has something really to say in Swedish politics. We are quite simply not handling our new parliamentary role to all. None with whom DAGENS NYHETER talked with blames Werner for the poor cohesion at the top of the party. People say that he "has improved himself" following the open criticism at the congress last May, when it was a matter of party morale, but that the group in its daily work would function well if there were a greater presence of the party leader. However, he is considered to be doing "a good job" out in the working places.

Several have chosen to express themselves in circumlocutions, such as saying it "will be calmer in the fall," in order to criticize Svensson. He is departing the Riksdag in the fall, and it is unclear to what extent he will remain in the party. Election of a chairman to the powerful executive committee of the Communist Youth will be an important measure of confidence in Svensson, who indeed out-challenged Werner for the party leadership.

#### Svensson Responsible

A high-placed leader thinks that the only way for the party to "regain respect" with its sympathizers is not to elect Jorn Svensson as VU chairman. "It is important that we, despite everything, show that we give weight on

press freedom by removing Svensson. It is he who really bears the responsibility for the take over of NY DAG by the party leadership. This is unheard of.

It is Lars Werner who is formally responsible now for publishing the crisis-afflicted newspaper, which is now losing its subscribers. Several members are saying, however, that they are worried and irritated that Werner "in being misled and deceived" into taking over NY DAG. There is a wide understanding that something must be done regarding the paper's financial situation, but what has been done is casting a serious shadow over the entire party. A few people think that the NY DAG conflict can only "be of interest to a handful of theoreticians." More believe that ordinary people out in the provinces are seeking information on what is going on.

Most say, regarding the party leadership as a whole, that it has done a poor job in nailing down its agreements with the government.

"There would be less of a misunderstanding in the group if they explained and discussed why it might be appropriate to grant certain short-range concessions, in order later, perhaps, to take home some victories in the future. The party must lift its sights over the horizon!"

Many are seeking a greater ideological understanding in the party, "so that people can better understand why we have to act differently in different situations."

Comparisons between Lars Werner and his predecessor, C-H Hermansson, are considered irrelevant. In the Riksdag, the more theoretical Hermansson had only a handful of comrades to keep together. They were people of the same generation. Today, the Riksdag group contains young people who have never been confronted with these credibility problems—the Russian invasions of Hungary, Czechoslovakia, etc.—which welded together the older generation.

"It is unfair to compare Lasse [Werner] with C-H [Hermansson]. The external circumstances really forced us then to have a different type of composition. Lasse is exactly the outwardly-directed leader type, with good contacts with ordinary people, which C-H wanted to have in the leadership. And he still has this function, or role.

#### Difficult To Control

It was pointed out throughout that the VPK supporters are those having "very colorful personalities and who are difficult to control," and those most difficult to control admit that the leadership does not have an easy task.

The party difficult to control is working under harder conditions than any other party in the Riksdag. All the MPs are putting forth efforts to deal with their own problems. The practical help for acquiring assistance with, for example, establishing a foundation for reaching decisions is small.

"None of us can, in contrast to other parties' members, obtain the assistance of public relations firms and lobbyists," sighs an over-burdened MP, pointing to the mountain of bills—with only 19 MPs in a Riksdag of 300, there is a lot of pressure.

9738

### **Poll Measures Voters' Confidence in Political Party Leaders**

36500065b Stockholm SVENSKA DAGBLADET  
in Swedish 3 Jan 88 p 8

[Article by Claes-Goran Kjellander]

[Text] Public confidence in the party leaders dropped in 1987. All five party leaders scored lower in the November-December confidence poll by SVENSKA DAGBLADET and SIFO [Swedish Institute for Public Opinion Polls] than they had in a similar poll at the start of the year.

Ingvar Carlsson clearly enjoys the most confidence, with 45 percent feeling that he inspires great confidence. He is followed by Bengt Westerberg (33 percent), Carl Bildt (16 percent), Lars Werner (14 percent), and Olof Johansson (9 percent).

There were two polls earlier this year: one in January-February and the other in April. In both of those surveys, Ingvar Carlsson scored 51 percent, Bengt Westerberg 38 percent, and Lars Werner 19 percent in the "great confidence" stakes. In the first poll, 15 percent said they felt great confidence in Carl Bildt, and 14 percent said the same about Olof Johansson. The corresponding figures in the second poll were 11 percent for Bildt and 11 percent for Johansson.

SIFO's confidence polls have been conducted for 20 years using the same methods and the same questions. Those interviewed are asked to choose from three answers: great confidence, neither great nor little confidence, and little confidence.

### **Home Visits**

The questions were asked during home visits during the period from 4 November to 15 December 1987, and 2,603 individuals between the ages of 16 and 74 years were interviewed in their homes.

Thanks to the large number of interviews, it is possible to break down the interview material into subgroups. Doing so reveals that people under 40 years of age are

clearly more skeptical of the party leaders than are those over 40 years of age. This is especially noticeable in the case of Olof Johansson, Carl Bildt, and Ingvar Carlsson.

On the other hand, there are no striking differences between men and women. Anyone who may have thought that one or the other of the party leaders inspired particularly great confidence in women gets no support for that view from SIFO.

### **Carlsson Again**

The percentage of respondents having "neither great nor little confidence" ranges from 33 percent (Carl Bildt) to 44 percent (Olof Johansson). There is a bigger spread when it comes to the question of which party leaders inspire "little confidence." Ingvar Carlsson and Bengt Westerberg do best here with 12 and 16 percent respectively. Olof Johansson scores 32 percent in negative responses, while Lars Werner scores 37 percent and Carl Bildt scores 41 percent.

The low level of confidence in Bildt is found chiefly in the LO [Swedish Federation of Trade Unions] groups, especially among national and municipal government employees. Otherwise there are no statistically significant differences between public- and private-sector employees.

### **Bildt's Position Strengthened**

There were three surveys of the public's attitude toward the party leaders at the end of 1987.

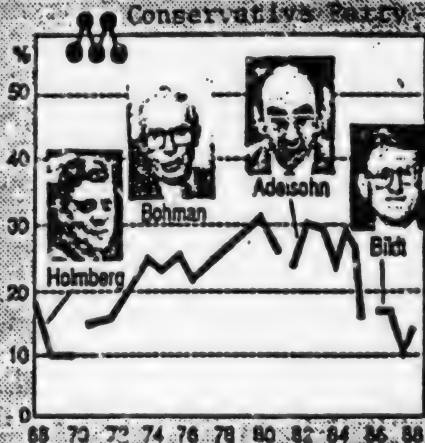
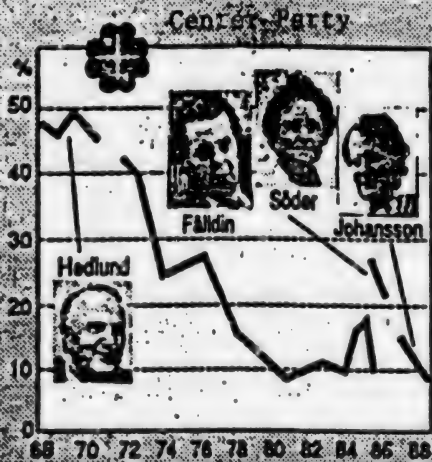
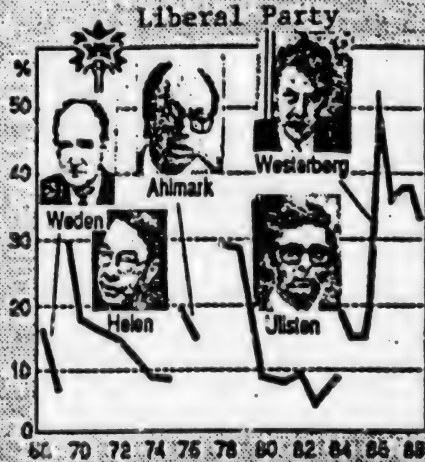
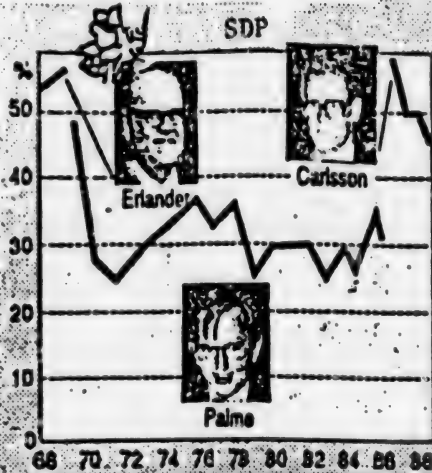
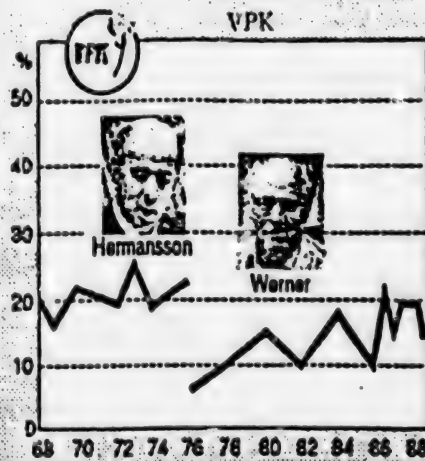
The IMU [Institute for Market Research] poll, which was published in DAGENS NYHETER before Christmas, consisted of 866 interviews in which there were five possible answers regarding confidence: very great, great, not very great, no confidence, and no response.

A poll involving a grading system was conducted by SIFO among 1,001 individuals, and the results were published in EXPRESSEN on 26 December. In that poll, respondents were asked to rate the party leaders on a scale of 1 to 5.

Lastly, there was the SVENSKA DAGBLADET/SIFO poll, whose results we are reporting today. It consisted of 2,603 interviews, and three answers were possible: great confidence, neither great nor little confidence, and little confidence.

One result common to both the SVENSKA DAGBLADET/SIFO and the DAGENS NYHETER/IMU poll is that Carl Bildt has strengthened his position since the corresponding polls in the spring of 1987. Also common to both is the ranking of the party leaders based on the amount of confidence they inspire: Carlsson, Westerberg, Bildt, Werner, and Johansson.

# Party Leaders' Credibility With the Swedish People

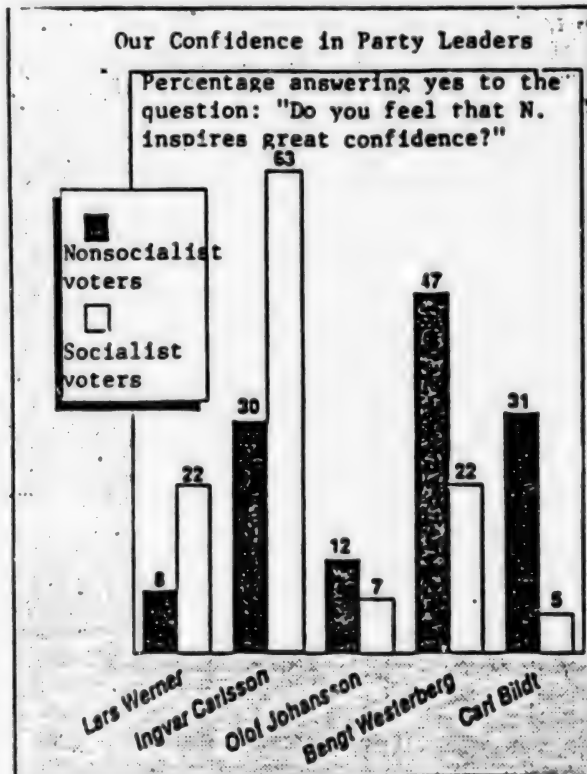


Confidence in Swedish party leaders over 20 years. Johansson and Bildt still have a way to go before reaching their predecessors' levels, while Carlsson and Westerberg, despite slight declines, score higher than their predecessors.



In the EXPRESSEN/SIFO poll based on a grading system, however, Werner and Johansson scored higher than Bildt because of the strong influence of the low marks assigned to Bildt by socialist voters. Nonsocialist voters placed Bildt in second place, following Bengt Westerberg.

#### Carlsson Strong in SDP and VPK



Approximately two-thirds of the voters in the FP [Liberal Party] and the SDP [Social Democratic Party] feel great confidence in their party leaders. Olof Johansson has not yet succeeded completely in convincing his own supporters. VPK [Left Party-Communists] voters have greater confidence in Ingvar Carlsson than in Lars Werner.

Among the Social Democrats, 65 percent feel great confidence in Ingvar Carlsson. Following him are Bengt Westerberg with 23 percent, Lars Werner with 20 percent, Olof Johansson with 6 percent, and Carl Bildt with 5 percent.

Carl Bildt inspires confidence in 50 percent of the Conservatives. Here again, Bengt Westerberg is in second place with 39 percent. And 26 percent say they have great confidence in Ingvar Carlsson, while Olof Johansson and Lars Werner wind up with 6 percent and 5 percent respectively.

#### Westerberg Highest

Bengt Westerberg enjoys "great confidence" among 66 percent of his own voters. That is the highest score of all in the confidence stakes. The FP's members place Ingvar Carlsson second at 38 percent and Carl Bildt third at 16 percent, while Olof Johansson and Lars Werner share last place at 10 percent. It should be added, however, that a very large number of FP voters—nearly two-thirds—do not have a definite opinion of Olof Johansson.

Even the Center Party's voters are playing a wait-and-see game with Olof Johansson: 51 percent feel that he inspires neither great nor little confidence, while 36 percent feel great confidence in their party leader. Following him, Center Party voters choose Bengt Westerberg (30 percent), Ingvar Carlsson (27 percent), Carl Bildt (12 percent), and Lars Werner (8 percent).

Lars Werner has to be content with second place in the VPK at 43 percent, compared to Ingvar Carlsson's 46 percent. Great confidence is felt in Olof Johansson, Bengt Westerberg, and Carl Bildt by 15 percent, 13 percent, and 5 percent respectively among VPK voters.

#### No Faith in Johansson

Of the Environment Party's voters, 31 percent have great confidence in Bengt Westerberg and Ingvar Carlsson. Next in line are Lars Werner (16 percent), Carl Bildt (11 percent), and Olof Johansson (9 percent).

If all nonsocialist voters are combined into one group, it is seen that 47 percent feel great confidence in Bengt Westerberg, while 31 percent choose Carl Bildt and 12 percent choose Olof Johansson. Thirty percent have great confidence in Ingvar Carlsson, and 8 percent feel the same way about Lars Werner.

In the socialist group, 63 percent have great confidence in Ingvar Carlsson, and 22 percent have great confidence in Lars Werner. Westerberg, Johansson, and Bildt score 22 percent, 7 percent, and 5 percent respectively.

#### Lowest Point Reached During Falldin Government

By combining all the responses indicating "great confidence," one can get a picture of voter confidence in the politicians.

The maximum score for all five party leaders combined is 500 percentage points. That would be the case if all those interviewed felt great confidence in all the party leaders. If all those interviewed felt great confidence in one party leader, the figure would be 100 percentage points.

The lowest figures during the 1970's and 1980's were reached during the years of nonsocialist government. Confidence was at its lowest point during the third

Falldin government (1981-1982), when the five party leaders scraped together about 90 percentage points, with Gosta Bohman and Olof Palme each getting one-third of that total.

Compare that with the fact that Tage Erlander and Gunnar Hedlund together had 112 percentage points in 1968.

In March 1986, following Olof Palme's assassination, confidence peaked again at about 170 percentage points.

Confidence has gradually dropped since then. At the time of the three polls conducted in 1987, it stood at 139, 130, and, most recently, 117 percentage points. There was only one plus figure in 1987, and that occurred when confidence in Carl Bildt rose from 11 to 16 percent between April and November-December.

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## FINLAND

### Security Policy Viewed in Light of Koivisto Comments, INF

#### Defense Doctrine's Validity Debated

36500054 Helsinki HUFVUDSTADSBLADET in Swedish 15 Dec 87 p 2

[Editorial: "Defense Policy Indications" by Rafael Paro]

[Text] If Finland's old defense doctrine will be scrapped, it will hardly be easy to achieve agreement on a new one. One also wonders where the debate will be carried on which will lead to rational decisions.

After more or less spasmodic decisions on appropriations and acquisitions in the fifties and the sixties, the year 1970 saw the beginning of a new era with parliamentary defense committees in our country.

The defense planning in the seventies and early eighties was largely based on the work of the three defense committees. It therefore gave rise to a certain amount of surprise when in the spring of 1985 the government, deciding setting up a fourth committee, appointed a smaller commission. The tasks of the commission were considerably more limited than those of the previous committees.

The reason why the system of parliamentary committees was not carried on was shrouded in mystery for some months. There was talk of a lack of interest on the part of the Social Democratic Party. Some well-informed observers were of the opinion that it was the President of the republic himself who was opposed to setting up another committee.

Following the interview granted by President Koivisto to Lehdiston Sanomapalvelu (a press agency for conservative newspapers), it is now clear that he actually takes a critical view of the appointment of defense committees.

The motivation of the President is interesting. He says that it is "somewhat problematic to raise the level deliberately without the implication of promising funds." He adds that the committees have not promised any funds, nor have they been able to do so. He recalls from his time as prime minister in 1981 that he informed the then commander of the armed forces that the report of the third parliamentary defense committee, which was also backed by the Social Democrats, "was to be regarded as a statement of sympathy rather than as a promise of funds."

It goes without saying that if the work of the parliamentary committee is based on such premises, the result cannot become too good. And, at the same time, conditions are created for questioning the expediency of the entire system.

The instructions received by the so-called commission from the government in the spring of 1985 pointed out, among other things, that, contrary to previous committees, the commission was not to provide any survey of the international situation as background material to the defense decision recommendations.

It was assumed at the time that the President himself had desired this limitation of the task of the commission. The discussion that had flared up during the work of the third defense committee on the application of the military articles of the Friendship, Cooperation, and Mutual Assistance Pact was assumed to be an underlying factor. It was concluded that the President did not want to experience another security policy debate.

The opposition to a public discussion also appears from the interview that was published last Saturday. He says that he has sometimes become annoyed by the fact that, during an international crisis, the Finns have started enumerating all of the weaknesses inherent in the country's defense.

However, it appears as if the President would primarily be annoyed by the suddenly growing general interest in such cases, since he adds:

"However, it is, of course, known that major changes in projects that require a lot of money can only take place slowly."

There is no doubt that it takes time to carry through defense decisions and, in particular, decisions on acquisitions for the armed forces. The tug-of-war for funds in parliament takes time, negotiations with suppliers may also delay things, new materiel will have to be incorporated in existing structure, new training is required, etc. In an actual emergency situation, it is already too late to take action.

Koivisto points out that the balance between foreign policy and defense policy is not being changed in the Finnish security policy. The security issues will primarily have to be handled by way of political solutions. He furthermore points out that, to a very limited extent, the security of the country may be improved by increasing the military capacity.

Nor does he say, however, that the capacity will have to be reduced.

"We cannot with our own forces avert all dangers, but it would be wise to maintain and develop our armed forces in an uncertain world" President Koivisto points out.

The words "maintain" and "develop" already imply a great deal. The defense establishment has been pointing out for a long time that if the armed forces continue to remain below the required dimensions, the question will

arise whether they will be capable of fully carrying out the tasks with which they have been entrusted. Unless further funds are made available, the tasks may have to be reviewed in the nineties.

According to certain calculations, there was a shortage of 0.5 billion markkas in this year's budget, and the deficit in the next year's budget will become equally large. According to the report of the armed forces, an additional 1 billion markkas would thus be needed in order to "maintain the level," not to mention to "develop" the armed forces. The really big challenge, moreover, be that the current Dragons and MiG fighter aircraft will have to be replaced in the mid-nineties. It is assumed that this will involve a cost of approximately 6 billion markkas, which will have to be distributed over a fairly long period of time. According to Defense Minister Ole Norrback, a decision in principle will have to be made by the present parliament in order for the time schedule to be adhered to.

The stage has been set for a major defense policy battle. The most eager supporters of the armed forces may not be happy that the debate would flare up right now when the world will be witnessing the first real arms reduction measure on the part of the superpowers, the elimination of the land-based medium-range missiles in accordance with the INF treaty. Far too many people believe that the INF treaty is also a signal for a neutral country such as Finland to further reduce its already very modest conventional defense system.

International security policy and military experts, however, generally take an entirely different view of the developments and predict increased armaments involving conventional weapons in Europe and an expansion of the nuclear capacity of ships and aircraft of the nuclear powers. Only the future will show whether the defense of the country's neutrality in such developments may be undertaken at a lower cost.

Conjectures have been advanced from leftist quarters that a defense policy reform is relatively high on President Koivisto's list of priority tasks after his reelection in the winter. It is felt that the president actually takes a critical view of certain features of the current structure of the armed forces. It is expected that the President, on his campaign trail, will be raising the question whether we actually need a reserve of 700,000 men and whether the entire defense doctrine of our country has become obsolete. For one thing, we ought to abandon the mass thinking and concentrate on the major issues, for the other, we ought to ascertain whether it is profitable to procure new weapons when they become obsolete at such a rapid rate on account of the technological developments.

If such a great deal of the old defense doctrine will have to be discarded, it will hardly become easy to achieve unity on a new one. One wonders where the debate will be carried on which will lead to rational decisions. We

may get into a period when the question may arise more than ever whether we shall actually be able to maintain and develop our armed forces, seeing that the degree of unity which has hitherto marked the defense policy will be lacking.

**Koivisto: Increased Expenditures Acceptable**  
36500054 Helsinki HUFVUDSTADSBLADET in  
Swedish 16 Dec 87 p 3

[Text] President Mauno Koivisto stated that he would be prepared to agree to a real increase in the defense grants when the five presidential candidates yesterday met for the first time in a combined debate and question period under the auspices of the political journalists and the Paasikivi Society.

Koivisto's statement was one of the few pieces of news during the 2-hour meeting, which took place rather peacefully and quietly. Another piece of news was the President's unequivocal statement to the effect that the refugee policy ought to be based entirely on humanitarian criteria.

The defense issue this time concerned more or less indirectly the upcoming need of the Air Force for additional acquisition grants. In addition to Koivisto, presidential candidates Harri Holkeri and Paavo Vayrynen also indicated that they would be prepared to agree to increased grants. Kalevi Kivisto evaded the issue by saying that a wise foreign policy is our best defense. Only Jouko Kajanoja recommended reduced grants and a direct Finnish arms reduction.

Koivisto cautiously supplemented his position in principle by saying that this "should not be regarded as any promise."

The only time that the debate among the candidates became somewhat heated was when the government policy and the regional policy came up for discussion. A confrontation took place between the opposition leader Vayrynen and the government chief, Holkeri. Koivisto supported Holkeri by warning against a "tactical" dissemination of the idea that "there is no hope."

The foreign policy part of the debate showed, among other things, that all of the presidential candidates appeared to be prepared to increase Finland's responsibility for the refugee problem in the world. The ideas how this ought to be done varied greatly, however.

**Current Materiel Acquisition Situation**  
36500054 Helsinki HUFVUDSTADSBLADET in  
Swedish 17 Dec 87 p 12

[Text] The emphasis in the acquisitions of the armed forces this year is on missile cruisers, an improvement of the mobility of the land-based forces as well as the purchases of antitank materiel and missiles.



At the same time, there is a shortage of funds within the armed forces. The deficit in the materiel acquisition appropriations this year will be 500 million markkas when comparing the acquisition expenditures with the recommendations of the parliamentary defense committee. The deficit is expected to be of approximately the same magnitude in 1988, seeing that the appropriations for military acquisitions in the national budget are rather small.

Last June the Navy was authorized to order four new missile cruisers, which will be delivered in 1990-92 by Hollmings shipyard in Raumo. The missile system will be purchased from Saab Missiles AB in Sweden, the artillery from the Swedish Bofors, and the control system from Philips Elektronikindustrier AB in Sweden.

The purchases in Sweden are being fully compensated by way of counterpurchases.

The mobility of the land-based forces is improved by means of crawler tractors, which are also purchased in Sweden. Furthermore, in an experiment, the Finnish company of Sisu-Auto will manufacture its own crawler tractors for the armed forces.

The Sisu factory in Tavastehus will, moreover, produce vehicles for the transportation of men as well as special trucks for the armed forces. The value of the order is 310 million markkas, and it will provide employment for half of the employees of the factory during the period 1987-91.

This year, the armed forces will also acquire heavy French antitank weapons. The acquisition is based on an authority of last year. A total of 290 million markkas worth of French weapons will be purchased. The French supplier has agreed to a 100 percent counterpurchase in Finland.

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#### **Koivisto Concerned About Use of FRG Troops in Norway**

36170042b Helsinki HELSINGIN SANOMAT  
in Finnish 19 Jan 88 p 12

[Article: "Finland To Consider Norway's German Troops in the Spring"]

[Text] Oulu—Finland will bring up for debate Norway's plan to replace Canadian troops with West German troops in that country's defense. The issue will be discussed in the spring when Norwegian Prime Minister Gro Harlem Brundtland visits Finland.

President Mauno Koivisto discussed the matter in an interview on Monday on Lapland area radio.

NATO has reserved Gast-troops, of which some are Canadian, as support for Norway's defense in a war situation. Canada, however, has announced that it wants to withdraw from Norway primarily for economic reasons.

NATO and Norway are now planning to replace the Canadians with West German troops. The matter is sensitive for Finland since Germany is mentioned by name in the YYA [Friendship, Cooperation, and Mutual Aid] Pact. The presence of West Germans would mean the deployment of German troops on a border opposite the Soviet military in Northern Norway.

President Koivisto stated in the interview that the European situation has improved since the time the matter was last discussed. "Measures arousing rather far-reaching trust were agreed upon in connection with the CSCE process."

The debate on the arrival of the West Germans has once again brought up the old border peace agreement, which President Urho Kekkonen proposed to the Norwegians in 1965 in his Arctic area speech. With this agreement the countries would have taken on a mutual obligation to secure the peace of a common border.

The Norwegians were not interested in such an agreement at that time, and the country's stance has not changed at all from those times according to Koivisto.

"I have sometimes said that you should have reconsidered, and presented arguments as to why there would be reason to consider it, but their position is negative."

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#### **Valtanen Defends Forces' Capability, Structure**

##### **Capable of Preventing Incursions**

36170042c Helsinki HELSINGIN SANOMAT  
in Finnish 19 Jan 88 p 6

[Text] Finland's territorial surveillance system can be considered to be functional and sufficient for our conditions. The demonstration of surveillance ability has a definite preventive effect on incursions, stated General Jaakko Valtanen at the opening ceremony of the national defense course in Helsinki on Monday.

Primarily because of a shortage of personnel, the surveillance system is not, however, without its gaps. Also the equipment and operational methods are in continuing need of development. Experience, however, has shown that illegal activity can in all probability be disclosed even with our resources, said Valtanen.

Valtanen stated that air surveillance has been made perceptibly more effective in recent years: radar and flight equipment have been procured and renewed. The annual observations of violations of airspace number 10—20.

According to Valtanen, surveillance ability on the sea is quite satisfactory since radar and sonar equipment have been increased and renewed. Territorial incursions number between 10 and 20 in a year, no submarines have been observed in Finnish waters in recent years, said Valtanen. Patrolling and observation are the primary methods on the country's borders. They are being supplemented to an increasing degree by technical equipment and air surveillance.

#### INF Treaty Impact Discussed

36170042c Helsinki *HELSINGIN SANOMAT*  
in Finnish 26 Jan 88 p 7

[Text] According to General Valtanen, commander of the Defense Forces, the military feasibility of nuclear weapons has nearly collapsed in the last 20 years. Valtanen, who spoke on Monday at the Paasikivi Society, gave the understanding that a Finland limited by its power resources cannot, therefore, be accused of preparing for incorrect war. In Valtanen's opinion, Finland has been able to follow the development of doctrines or the operational principles of the armed forces of the superpowers and the European countries.

"We are very much aware of the challenges to the development of our defense capability and we are at the level of our neighboring Nordic countries in the direction of development," said General Valtanen.

"Since Finland's security policy position is stable and there are no rapid changes on the horizon, a positive and optimistic atmosphere prevails in the Defense Forces at this time," he stated in characterizing the situation.

Nuclear weapons were mentioned in Valtanen's speech, but he raised them to their own strategic level. Valtanen stated that the United States has moderated its doctrine in the 1970s from the teaching of a massive counterstrike into a principle of flexible counteraction, which means that each response will be commensurate with the particular threat and an attack will first be repelled with conventional weapons. The Soviet Union, for its part, has in recent years forcefully declared that it will not under any circumstance be the first to use nuclear weapons, emphasized Valtanen.

In Valtanen's opinion, the superpowers see the role of nuclear weapons primarily as a political balance and intimidation factor in preventing the other side from resorting to their use.

"The same attitude has prevailed for a long time already with respect to chemical weapons," he noted.

#### "A War Waged by Conventional Weapons Will Be Short"

According to Valtanen, the consequence of the intimidation effect of nuclear weapons will be that a war waged with conventional weapons will have to be brought to a conclusion quickly.

"A war can be short — perhaps only a few weeks at the most," thinks Valtanen. He concluded that a war in Europe will not begin with a massive surprise attack, but rather as a result of preparations for long-term crises and armed conflicts.

A reduction of the importance of the North Atlantic and the Arctic Ocean is not in sight according to Valtanen. "The extension of activities increasing trust to the northern sea areas is for this reason an important goal from Finland's point of view," he said.

"It is expedient from the point of view of Finland's security that restraint be exercised in military actions occurring in sea areas in our vicinity," the general emphasized.

In deliberating the significance of the Baltic Sea Valtanen said that the Baltic Sea is directly connected to the Central European military area of emphasis and continues to be the subject of reconnaissance and exercise activity.

"If military actions in a European conflict were to be transferred to the Baltic Sea area, they would have immediate effects on Finland's position," considered Valtanen and he also emphasized the significance of Sweden's neutrality from the point of view of the Baltic Sea and Finland's position. A long-term, critically developed international crisis affecting Finland, however, is more probable than open war in Valtanen's opinion.

#### YYA [Friendship, Cooperation, and Mutual Aid] Pact Still Plays Central Role

"The longer it lasts, we can become the subject of many kinds of military actions short of an all out war. They may test our security policy and our freedom of action in just as threatening a manner as an all out war," the general predicted.

According to Jaakko Valtanen, the YYA Pact continues to play a central role in the framework of Finnish and Soviet relations.

"There is no development in sight which would diminish the importance of the treaty. The YYA Pact continues to be a significant factor in preventing conflicts and war," he pointed out.

In Valtanen's opinion, the development trends of the Defense Forces can continue to be based on the views of the parliamentary defense committees. The basis continues to be a territorial defense system, whose framework is comprised of military commands divided into military districts. Their number, however, will be adjusted according to Valtanen.

The general enumerated several reform requirements: long-distance surveillance radar will have to be renewed, anti-target missiles will have to be acquired, and new interceptor aircraft will have to be procured in the next decade.

In talking about the Army, Valtanen considered compulsory military service to be an essential condition of a territorial defense system.

Valtanen said that the Defense Forces have begun to form modern brigades known as "Brigade 90". The reformed brigades must be capable of mobile defense operations so that they can be concentrated on actions commensurate with various situations. In Valtanen's opinion, the brigades are "quite comparable with corresponding units in our neighboring Nordic countries".

The combined strength of the reformed brigades will be 250,000 men, and they will make up the so-called protective forces. The other half of the Army's brigades will remain in the composition created in the 1970s, and they will retain their suitability as a territorial defense force by partially renewing their weaponry according to Valtanen.

Some of these brigades, however, will have to be dismantled and transformed into pure local units.

#### Antitank Defense and Threat From Air Are Problems

Valtanen mentioned anti-tank defense and the threat of an air attack as the most serious problems the Army will face. The forest and darkness will no longer protect troops from developed thermal detectors.

According to Valtanen, the Defense Forces have done research on which methods and equipment can be used to reduce thermal radiation from troop units.

According to Valtanen, the terrain, which in Finland is not conducive to the use of tanks everywhere, reduces the problem of anti-tank defense.

General Jaakko Valtanen in his words did not want to dramatize questions of funding even though the accomplishment of a procurement program stretched out over 15 years still appears to be uncertain.

"A perceptible increase in the level of defense expenditures has not been proposed in any connection as far as the Defense Forces are concerned," emphasized Valtanen.

"The problems should not be allowed to accumulate in the near future, but they should be taken care of in small steps while eliminating underdeveloped areas," proposed the commander of the Defense Forces.

10576

#### GREECE

##### ND Deputies Question Arms Industry Deficiencies

35210068b Athens 1 VRADYNI in Greek 2 Feb 88 p 3

[Article by T. Stamatopoulos and I. Kanoupakis]

[Excerpt] The government has led the Greek War Industry into disintegration; as a result, we are applying to other countries and to obscure circles of intermediaries (Louvaris, etc.) for war materiel.

The above was stressed, while developing a related query, by six ND deputies who personally accused the prime minister of being the main person responsible for the present tragic situation in our war industry and the delayed equipping of our armed forces.

Specifically, the queriers, Stathopoulos, Fotopoulos, Avramidis, Zaimis, Karamanlis and Panourgias stressed, among other things, that:

1. The PASOK government unacceptably downgraded the Ministry of National Defense's National Defense Industry Agency.
2. Basic programs for development of arms systems and defense production units have been significantly delayed.
3. Because of internal functional weaknesses and mismanagement, units for production of defense materiel are not in a position to meet their contractual obligations, though huge sums of money have been absorbed.
4. Great extravagances, obscurity in transactions, needless payments for non-productive purposes, bad management and a pleiad of intermediaries have been verified.

In more detail, the speakers emphasized the following:

Io. Stathopoulos: There is a telex, which I would ask the appropriate minister to look for at the EAV [Greek Aircraft Industry], and for them to give it to him, because it is possible he does not have it in mind, in which the U.S. company, General Dynamics, protests about the EAV's delay in submitting a bid for the trim tabs for the F-16s.

Also, there is a telex from the French company, Aerospatiale, in which it says it considers us, up to the time of delivery—it considers EAV—unreliable. I would like to ask the minister to look for this telex in the EAV files. It



is a fact that we would spend about 300,000 man-hours for the F-16 trim tabs. Because, however, of bad programming and organizational weakness, we have already returned about 100,000 man-hours to General Dynamics. So here is the fate of the F-16 trim tabs; the EAV is assigning this job to General Dynamics.

Khr. Fotopoulos: PYRKAL's [Munitions and Cartridge Company] debts amount to 16 billion. The loss in the first 9 months of 1987 suitably reached 3.1 billion. PYRKAL, whose mission is to supply our country with ammunition, is on the threshold of bankruptcy because of bad management, bad administration and the scandals known to all of us.

Result: Unfilled orders. Low level of ammunition production. High cost of consignments. Lack of coordination and programming.

The renowned former managing director of PYRKAL, Tsangarakis, gave two jobs, in Ptolemais and Amyndaion, to bidding companies.

Specifically, a job (99068) was given to INTRAKOM, for 160 million, though there was an underbidder, at 70 million, for the same job. A job was also given to "Siemens" for 220 million though there was an underbidder, at 78 million; both of these job commitments were signed by Tsangarakis a few days before they dismissed him. It should be noted that Tsangarakis is a former employee of "Siemens." Why were these jobs given in this way? Why did they want competitive bids when it was known where they would go?

Al. Avramidis: The various services are eroded by intermediaries. The government bought from abroad 300 tanks with aluminum plating though our party had gone ahead with the program for construction of "Leonidas" tanks with steel plating by "Steyr." Moreover, the government halted the program for manufacturing 155-mm cannons so they can be supplied by the United States.

A. Zaimis: Under ND, the EVO [Greek Arms Industry] had produced 40,000 rifles with a staff of 500 wage-earners and employees. Now that it has 1,000, its production has fallen to 30,000 rifles. Thus the company is sinking bit by bit.

#### EAV Plight

Akhil. Karamanlis: The EAV today has been reduced to producing only doors for the "Airbus" while it has still done nothing about long-range ammunition, the "Artemis" is still delayed, development of a new breed of portable armament has stopped, the program for converting M114 guns to a new variety has stopped, the nitrocellulose unit in Lavrion is not operating and the mechanical equipment we got from the Germans is not being exploited.

P. Panourgias: A large number of the chairmen of these companies have been accused of scandals involving hundreds of millions. An indisputable witness is the Stathis report which states that "procurements of many billions are controlled by a tight, obscure circle."

9247

#### PYRKAL Seen Endangered, Riddled by Scandals

##### Past Activities Exposed

35210068a Athens ANDI in Greek 15 Jan 88 pp 28-29

[Text] This is not the first time we have written about PYRKAL [Munitions and Cartridge Company] and its management which has fallen into disgrace. Both ANDI and the daily press have been pre-occupied with the "exploits" of this government corporation, whether these concerned the trading of weapons to Iran, or debts, or the explosion which occurred a few days ago at its factory in Elefsis.

Many things have been written about this explosion in the daily press, but we are of the opinion that this is one more indication of the mismanagement and "disconnection" prevailing in this dangerous—from the viewpoint of both public health and public interest—company. Witness the fact that the manager of the factory where the explosion occurred is G. Khaloftis, an accountant by profession and "disconnected" as regards ammunition and the safety measures which should be taken during their production. He is, however, "one of their people" and this gives him all the "safety" credentials he needs.

In any case, since it is time to be concerned with the real reasons for PYRKAL's mismanagement and the small and large scandals happening within it, today we are exposing several wrinkles in the management's accomplishments which, even if not as noisy as the explosion in Elefsis, are far more detrimental not for the public health but for the public finances.

#### The Reinstated Mr. Liliou

"Bill" Liliou was a close relation of PYRKAL's former owner, Al. Athanasiadis, who used him, it is said, to overestimate the company's purchases from the United States and underestimate its exports, thus ensuring their superprofit. When PASOK nationalized PYRKAL, Sotiropoulos kicked Liliou out but today Athanasiadis' former ambassador par excellence has entered PYRKAL through the back door and is the new, trusted "privy counselor" to its general director, Andreas Velis, and its chairman, Papandonopoulos.

The PASOK government's cooperation with officials of the "detestable Right" is not news, of course, and Liliou would not concern us if his activities had not resulted in a small crisis being created in Greek-American relations and if a prosecution were not pending against him in the United States.



The issue emerged when Liliou bought from the United States, on PYRKAL's behalf, 110,000 fuses in order to fill an order for shells for Iraq. However, since the U.S. authorities have imposed an "embargo" on the sale of war materiel to Iraq, PYRKAL and Liliou resorted to the following "ruse"—we cannot characterize it otherwise: They got from YPOVI [War Industry Service] a certificate allowing them to import fuses from the United States without explaining, however, that they would use them for Iraq. The certificate, which is signed by YPOVI's director, Major General Kharidimos Tsangarakis, is as follows:

Confidential To: Inflammable Materials Industry Custom Office, 1 Ilioupoleos Ave.

Urgent Ministry of National Defense War Industry Service Directorate of Foreign Industrial Relations Market Research Office Tele.: 6528611 File: 731-702/415586 Memorandum: 1336 Athens, 11 July 1986

Subject: Granting a license to import explosive materials from abroad. Relating to: Registry No. 8029/GG/ek/from 3-7-86 Clearance

1. We permit Pyritidopoieiou kai Kalykopoieiou AEE [PYRKAL], represented by Georgios Khalostis of Panagiotis, to import from the United States 110,000 fuses MISQ M 577A1, DRAW 9352381.

2. This materiel will be used to manufacture 105-mm shells and to implement the company's contract with a foreign company, dated 1985.

Major General Kharidimos Tsangarakis Director

As the reader can easily ascertain, the director of the state YPOVI, Tsangarakis, collaborated in PYRKAL's "scheme," writing in the certificate that the "fuses" would go to a "third country," not to Iraq, thus allowing it to break the United States' "embargo."

We do not know yet what were the consequences of this "business" in the United States. It is known, however, that a lawsuit against Liliou is pending in Washington because of a similar case: the purchase of 75,000 fuses which were used in the same order for Iraq, again in violation of the United States' "embargo." Here is the related request for an importing permit which PYRKAL submitted to YPOVI:

Athens, 29 April 1986

Request of Pyritidopoieiou kai Kalykopoieiou AEE

Subject: Granting a permit to import explosive materials from abroad.

To the Ministry of National Defense War Industry Service Directorate of Foreign Industrial Relations

Herein, we have the honor to request that you act to grant us a permit to import from America 75,000 MTSQ-M577 A1 fuses, Program 85, Iraq Contract, Contract (VV 252), to produce 105-mm shells.

Importation will be carried out through the Inflammable Materials Industry Custom Office (1 Ilioupoleos Ave., Ymittos).

Respectfully,

Pyritidopoieiou kai Kalykopoieiou Anonymous Greek Company

But the breaking of the U.S. "embargo" by PYRKAL and YPOVI does not interest us much. It is an issue between the two governments, what happened in this case and who fooled whom in "Iraqgate." What is of interest to us, however, is the fact that, through Liliou and for his benefit, PYRKAL is buying from abroad very expensive materiel, materiel which could be manufactured here. The result is an increase in the debts which we are called to pay for through taxation.

For example, the 110,000 fuses which PYRKAL bought from the United States have been produced here in Greece for 15 years and PYRKAL itself, if well organized, could produce 1000 fuses a day. In addition, Liliou charged off the fuses to PYRKAL at a price 30 percent higher than the price at which he bought them from the U.S. Hamilton company, so they cost PYRKAL 75 dollars a piece when it sold each shell for 135 dollars. If we add to the 75 dollars the cost of the other materiel and the labor, we then understand why PYRKAL is losing money.

There are also the other "jobs" which (locked up) PYRKAL. In 1984, the French "Luchaire" company cancelled an order for shells which were destined for Iran; as a result, PYRKAL was forced to sell them "for a song" to Iraq and the Greek Army. Another time, Liliou brought here for assemblage some antitank missiles of the Norwegian company, "Raufoss" [Ammunitionsfabrikker A/S]—destination, Iran—but PYRKAL again did not profit even one drachma.

The question, of course, is where all this money is going. Is this only incapability and bad management, or something else? Let them answer us, without denials this time, because we have at our disposal quite a few articles of proof.

It is time for someone to investigate the muffled explosions in PYRKAL's finances and Liliou's relations with the company's administrative officials, Velis, Papandonopoulos and Dendrinos. It should be pointed out that Dendrinos had been expelled following a demand of the workers' union but he returned and is director of PYRKAL's "Research and Development." Is it only a coincidence that, while they were out of PYRKAL, Liliou and Dendrinos together had an agency? It is said, at any rate,

that Dendrinios returned to PYRKAL following a telephone call from G. Anomeritis, former director of the Organization for the Rehabilitation of Enterprises and today president of the Land Bank. PYRKAL was, in fact, reorganized but under its old leadership—as apparently the others are now only decorative elements.

#### **And With Israel**

The Greek Government's "behind the door" exchanges with Israel are not "news," of course, now that we are advancing to "de jure" recognition of the well-known "gendarme" of the Middle East. For history, however, we dedicate to Papoulias the following document which shows that, at the time he was categorically denying that we bought weapons from Israel, PYRKAL bought from the Israeli IMI smoke grenades—which were not produced here—and then sold them to Iraq.

Request Pyritidopoieiou-Kalykopoieiou AEE. Subject: Granting a permit to import explosive materials from abroad.

Athens, 23 June 1986 To the Ministry of National Defense War Industry Service Directorate of Foreign Industrial Relations

Herein, we have the honor to request that you act to grant us a permit to export from Israel 35,000 projectiles, 105-mm (HOW) SMOKE W.P. M 60 A1, for the production of 105-mm shells, Program 85, Iraq Contract (VV 252).

Importation will be carried out through the Explosive Materials Industry Custom Office (1 Ilioupoleos Ave., Ymittos).

Certain government officials told us that "PYRKAL did well in buying smoke rockets from the Israelis since they were the cheapest." And, in fact, they are right, with the large allowances which have been occurring recently in the PASOK government's foreign policy.

Postscript: While making this little "report" about PYRKAL, we also learned information which we were unable, because of time, to cross-check: For many years now, in a certain drawer at PYRKAL, a patent for production of shells for the Swedish "Bofors" company has laid forgotten. Under Sotirlis, however, Liakounakos' AKhKhON sold to PYRKAL the same patent for the ruinous cost of 800,000 dollars. Is this true, Sotirlis? We are awaiting an answer.

#### **Company Chairman's Resignation**

35210068a Athens 1 VRADYNI in Greek 1 Feb 88 p 6

[Text] New circles of partisan intermediaries acting in the area of procurements of military materials are being publicized after the resignation of PYRKAL's chairman. The new circles are manifested by pressures on all levels of the military hierarchy, as was charged to the alternate

minister of industry by PYRKAL Chairman Kh. Papa-georgiou, who resigned on Friday, 29 January, without any government reaction to the accusations as of last night.

According to what was published in ETHNOS, Papa-georgiou stated that he was resigning because he had come into conflict with circles of intermediaries, while in his report which he handed over to Alternate Minister of Industry Papanagiotou, he reports all the reasons compelling him to resign. According to the same publication, the same charges are mentioned in a confidential PYRKAL document to the director of YPOVI, Major General Tsangarakis, with the date of dispatch 22 January 1988, related to the program to supply launched smoke ammunition systems for the Leonidas tanks, at a cost of two billion drachmas.

As is reported in this document, PYRKAL developed the system in question with the support of YPOVI. The sole offer for the same system was made by the German company, "Wegman," which is represented in Greece by two former administrative officials of PYRKAL. Based on the same document, the Germans' price was more than double PYRKAL's offer, but since then there have been pressures for joint production or for PYRKAL's offer to be considered technically unacceptable. After this, in its document dated 14 March 1987, PYRKAL asked for the criteria for acceptance of the system to be made known to it. On 21 January 1988, PYRKAL's system was put into a Leonidas tank and, in the testing which took place in Salonica, it was absolutely successful. However, it was then revealed that a short while before, on 31 December 1987, there were criteria for evaluating the system which had not been communicated to PYRKAL. These criteria did not become known to the company until 21 January 1988 when it had already set up its system for testing. As is reported in the same secret letter—according, at any rate, to the publication—there is an obvious effort to redirect the purveyance and its committal abroad.

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#### **SWEDEN**

#### **Conference Weighs Army Strength Cuts, Command Restructure**

##### **Strength Cut By Half**

36500069 Stockholm DAGENS NYHETER in Swedish  
2 Feb 88 p 7

[Article by Bengt Falkkloo]

[Text] (Storlien) Sweden is a pioneer when it comes to disarmament. Over the past few years, the entire Swedish defense forces have been cut by half, and now more funds are needed. This was the gloomy announcement

which Major General Owe Wiktorin presented to The Nation and Defense (Folk och forsvars) conference in Storlien. Wiktorin is planning chief for the armed forces.

"During the past few years, the Air Force has been cut by half, just as has the Navy," says Wiktorin.

"The Army has the same problem, with resources having been reduced, and today there are only 50 percent of the Army units that are fully employable." The general immediately received a contrary opinion from Defense Ministry Permanent Secretary Per Borg: "Stop always talking about money. We have today a good military, a quantitatively greater defense. And now we are going to try to keep ourselves on this level!"

Wiktorin pointed out some reasons why things are going as they are in the armed forces: "A conscript in 1965 cost 79 kronor per day to maintain. Pay and compensations were 41 kronor, travel 3, clothing and cleaning clothes were 9 and food 26. In 1986, pay and compensations cost 85 kronor, travel 26, clothing and cleaning 24 and food 26 kronor. The total was 158 kronor per day!"

Defense Staff Chief Torsten Engberg said in his talk on economics that a constant search is being conducted for finding new, more efficient solutions in order to save funds. This includes restructuring of conscription service, etc.

"We can conceive of having new duty times for the conscripts, for example, that one would be on duty for 10 days in a row and then be free for 4 days, or that we position a coast artillery unit out in the Archipelagoes for rather long periods during the April-September period, indeed just when the conditions for [submarine] incursions are most favorable.

Engberg also said that in the future most of the Navy's ships will be fully manned. But the law on working hours may come to be a problem—it is not suited for submarine hunting.

#### **Paper Comments on Remarks**

36500069 Stockholm DAGENS NYHETER in Swedish  
2 Feb 88 p 2

[Editorial: Defense Within the Limits]

[Text] The Armed Forces Commander's decision to grapple with the Army's basic structure is, from an operational standpoint, correct, and this should possibly provide a foundation for an overall defense program by the spring of 1989. The defense minister's comments made on the way to The Nation and Defense Conference being held at Storlien should mean that the armed forces commander has been heard, both with regard to the advised reduction in number of attack brigades and reserve units, as well as for establishing a system of varying conscription service times.

Roine Carlsson [defense minister] referred to his time as chairman of the Paper Industry Workers' Union and as the undersecretary with responsibility for state enterprises to show that he is capable of making decisions which may meet resistance. However, it remains to be seen what in practice he meant in saying that the Army, even on a fragmentary basis, will build on the foundation of general conscription; there are indeed voices within the Social Democratic Party which have gone against the idea that some conscripts would have service obligation times so much shorter than others.

What can be said as positive in Carlsson's position marking with regard to the Army's restructuring applies, on the other hand, less to his stand on overall defense resources. Of course it is possible to direct extremely justified criticism toward the deficient basis for decision-making supplied to the politicians in advance of last year's defense bill, as the defense minister has done. But the only comment on the big gaps which subsequently have appeared should not only be that the established framework should prevail, regardless of the consequences. As a partner to the defense agreement, the Liberal Party has shown that in this year's defense bill there have appeared serious shortcomings and delays in a number of highly prioritized areas.

It might be thought as exaggerated when the planning chief on the defense staff, Owe Wiktorin, also in Storlien, asserts that the armed forces have been halved since the beginning of the seventies. With regard to the Air Force and Navy it has been a matter of conscious decisions to depend on fewer units with greater flexibility and higher quality. But in the Army it has been a question of an insidious worsening; within the same cost framework, the modernizing units are therefore facing a risk of becoming all too few to possess reasonable possibilities of handling their missions.

The defense program agreement ought not to be any obstacle to a certain resource strengthening, combined with strict requirements as to how funds are to be used. Otherwise, defense may turn out to be tangibly worse than what the Riksdag majority of Social Democrats and Liberals as late as last spring intended as necessary.

#### **Command Structure Reorganization**

36500069 Stockholm DAGENS NYHETER in Swedish  
3 Feb 88 p 20

[Article by Bengt Falkkloo]

[Text] (Storlien) The commander of the armed forces has reconsidered the problem and will now change the new command structure which he himself had agreed to create not so many years ago. There has been too much theory, officer's careers are too short, and there is no professional officer cadre.

Bengt Gustafsson explained some of the problems with the officer corps during the Nation and Defense Conference at Storlien on Tuesday.

"When we introduced the new command structure, NBO, it meant that theory and practice were to be blended," explained the Armed Forces Commander.

But the result was not exactly what we had imagined it would be. Today's officers go through a school out of their units for a certain period of service. Immediately

afterward they apply for the next school. Then practice, school, practice, etc....

This system has also meant that service times in the various postings have become too brief, that the officer does not have time to become professional in his duty.

"Now we will have no longer periods out with the units. If one is only a good company commander, then he will still get a promotion," said the armed forces commander.

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## EUROPEAN AFFAIRS

### Deregulation, Lower Costs To Spur EC Growth After 1992

36200068a Duesseldorf WIRTSCHAFTSWOCHE  
in German 29 Jan 88 pp 30-41

[Article by Harald Hotze: "Europe as an Opportunity"; first paragraph is introduction]

[Text] Enthusiasm in France, reservations in the Federal Republic—European industrialists are reacting in line with their national interests to the future larger domestic market. One thing is certain: Only one planning cycle is left for politicians and entrepreneurs to prepare for 1992.

At midday on 18 November, the enthusiasm of the attendants in the Great Hall of the Paris Palais de Congres, decorated in blue and yellow (the European colors) had reached its zenith. When Prime Minister Jacques Chirac, his image enlarged on video walls, mentioned the "1992 national target," the roughly 5,000 French industrialists present rose to applaud. Antoine Jeancourt-Galignani of the Banque Indosuez was one of the top managers enthused by the premier's oration. In the past this credit institute used to advertise its expertise of special financial services. In British and French newspapers, the bank now proclaims "tomorrow: Europe Inc."

German EC Commissioner Karl-Heinz Narjes found an equally "enormous surge in motivation" among industrialists in the Benelux countries, Italy and Spain. While the business leaders in most EC countries have understood the full portent of the changes and aim to help shape them, the majority of Germans tend to be "phlegmatic and inclined to wait and see." According to a public opinion poll frequently cited by Narjes, 87 percent of French employers have largely incorporated the 1992 domestic market target in their concrete planning. In the Federal Republic, on the other hand, only just about 27 percent of employers are geared to the magic date.

The "Single European Act," signed by the heads of state and government of the 12 member countries, records everything in fact going to confront European industrialists—whether small, medium or large—in the coming years. According to this act, "a region without frontiers is to be created" by the end of 1992, "where the free flow of commodities, people, services and capital is guaranteed." The domestic market here envisioned would be imposing at least in terms of statistics: As an economic region with some 320 million consumers, it would be larger than the United States and almost triple the size of Japan. This involves an entirely new structural framework as well as new challenges for European industrialists of all sectors and corporate dimensions.

When the European Community was first established in 1958, such an economic region had initially been planned for 1970. However, to cite Brussels domestic market commissioner Francis Arthur Lord Cockfield, past European governments have "defended their frontiers with the same ferocity as women defend their virtue or men their potency." Such political virginity and nationalistic boasting has cost the European economies a lot of money—according to estimates by the Foreign Trade Association of the German Retail Trade the cost amounted to around DM30 billion annually for the German economy alone. The association assessed the costs involved for all EC Europeans as DM300 billion.

The Brussels European Commission has calculated that the administrative borders alone, built up among themselves by the EC partners, swallow some DM24 billion each year. La Chapelle Darblay, the largest French newsprint producer, lists the costs of "non-Europe" arising in corporate balance sheets: At a turnover of Fr225 million, customs duties, insurance and credit losses amounted to Fr1.8 million or 0.8 percent of turnover—far in excess of the corporation's annual net profit.

The cost of the 500 daily border crossings of its trucks within the EC cost Exxon Chemical Corporation \$50 million. Each of the 150,000 invoices annually issued in Europe costs \$200. These costs could be halved if the EC countries were to harmonize their VAT rates, and if no more national borders were to adversely affect transports from one country to another.

Commissioner Narjes therefore believes that the direct cost savings involved in the abolition of borders and the first deregulations in the amount of DM160 billion annually will provide substantial growth incentives for the European economies after 1992. Lord Cockfield, for his part, thinks that this post-1992 push will allow the economic growth of the European economies to increase to 4-5 percent.

Still, nothing would do more harm than to simply sit and wait for the great blessing allegedly coming about pretty much inevitably simply as the consequence of European integration: "The countdown starts in January," a staffer of Lord Cockfield dramatically declared when talking of the necessary preparations to be tackled by industry with a view to the hoped for growth push of 1992. In fact, the managers have just about 60 months to carry out the decisions and investments urgently required for the future joint domestic market. Anyone wishing to construct new plants in locations where wages are low and subsidies generous must reckon with at least 24 months of planning and 24 months of actual construction. Nothing can be finished by 1992 unless begun this year.

Moreover: The expected large domestic market calls for new product ranges that will profoundly alter the production process by coordinating standards, for instance.

An obvious example: Philips, the Dutch multinational, currently produces 35 different electric plugs. The Endhoven planners assume that only 5 different plugs will be needed after 1992.

Easier and faster access to new markets and new competition at home challenge many corporations to set up a new marketing system. Furthermore, the speed of transportation is bound to rise with the abolition of physical and administrative frontiers. Narjes commissioned a computation according to which a truck now travels on the route between Antwerp and central Italy at an average speed of only 20 km per hour—due to inter-European frontiers. Unimpeded by borders, a U.S. truck manages the same distance from New York to the Midwest at a speed of 60 km per hour. Whenever the time taken by transports can be accurately calculated, storage costs for the recipient tend to fall.

The prospects of the benefit of economies of scale and substantial savings have made industry hungry for the arrival of the domestic market. Domestic market commissioner Lord Cockfield noted at the beginning of this year: "The investments of industry, made with an eye to the domestic market, are already operating as an incentive to really complete the process that has begun."

Banker Jeancourt-Galignani, for his part, explains his advertising campaign for "Europe Inc" as the reaction to the speed-up of the process within the Community of Twelve: "Corporations buy up corporations outside national frontiers." Even in 1986 international mergers, minority stock acquisitions and joint ventures had increased in the EC by 18 percent to 52—and the 1987 figure is likely to have been more than 80. Philips and the British General Electric Corporation, for example, formed a syndicate for medical equipment. The partners expect an annual turnover in excess of DM4 billion. The Bosch Corporation in Stuttgart is currently trying to obtain a share in the well-known French Schneider Corporation, and negotiations are promising for the Stuttgart firm.

European versatility is the target of the industry strategists. According to Jean-Louis Beffa of Saint-Gobain, "in future we will have no alternative." The boss of the French glass, packaging and construction materials corporation has acquired seven companies in EC countries for his conglomerate in the past 2 years alone. He says: "We need to think on a European scale."

France is mobilizing for the great domestic market. For her young people, in particular, 1992 is taking the place of the long delayed revolution at home. Bernard Giroux of the French Employers' Federation CNPF explains his countrymen's enthusiasm like this: "For centuries the state has powerfully interfered with our economy. Now we will have an opportunity to become properly liberal."

The revolution has been proclaimed in the model country of mercantilism, where management mistakes and productivity red tape used to be, if need be, made good by the public treasury: A new type of company has emerged, the "nomad," a business unit in constant flux. Young French managers believe that this is the only way to prevent success on the huge European market from being threatened by narrowmindedness and adherence to outmoded methods. In fact, the young French entrepreneurs do not merely talk, they act—for example by placing greater emphasis on continued training in the enterprise. Philippe Willaume of the Union of Young Managers, CJD, says that "in the new economic region, the sum total of knowledge will double every 5 years."

"Such enthusiasm," notes Bernard Giroux of the French Employers' Federation, "seems to amaze our German cousins." In fact, according to Wilhelm Noelling, president of the Hamburg Landeszentralbank, "the significance of the coming changes has not yet sunk in" among the majority of German businessmen. Noelling draws the attention of the German world champion exporters (who display total self-confidence as a result of their global success) to an important consequence of the coming domestic European market—a consequence many still disregard even now: "It does not only mean what we can do in the other countries but also what the competition may do right here."

The competitors of the Germans are surely looking at an especially large cake. The European heads of state and government have tickled their nationals' appetite by the promise that, after 1992, the service sector is also to be liberalized in Europe—for instance insurance and transportation. Already this sector's net product at more than 60 percent boasts almost double the productivity of European industry. In recent years, job creation on any scale has been confined to the various service fields. The push of 1992 is expected to speed up this trend to match the situation in the U.S.A. and Japan.

Some difficulties are threatening, though, because regulated sectors such as insurance and transportation have developed in such different ways in the European countries that it is hard to imagine early standardization to be accomplished—at least when we remember earlier experiences with the extremely cumbersome mechanism of European politics. Joern Badenhop (Federation of German Insurance Companies) says that "if for no other reason, it is impossible in view of the differences in the various traditions to simply conjure up a European market for insurance as heralded by the politicians."

At the same time, such a conjuring trick would be well worth the effort. According to Jason Constantine Frangoulis, head of the British General Accident Insurance Company, these twelve European countries represent 20 percent of the world market for insurance. The

Briton has a very simple explanation for the lack of the full exploitation of this market potential: "We are all hiding behind walls, with the result that all of us meet again—in a prison."

Publically, German insurers are still vehemently opposed to any attempt at tearing down the walls of the prison. Actually, though, most companies have already geared up for what lies ahead. The Italian and British purchases of the industry leader, Allianz, have long since set the trend toward internationalization.

Anyway, Georg Buechner, president of the Federation of German Insurance Companies, is thinking of taking the offensive: "Following the example of our industry, our insurance companies will now capitalize on the good reputation of 'made in Germany' to make headway among our neighbors."

The German transportation industry does not yet think so far ahead. Until the promise of a free European transportation market is met, politicians and bureaucrats will have to get rid of an entire jungle of regulations. Admittedly, since 1 January 1988, the European captains of the road no longer waste 24 minutes of every working hour at the border (as they used to do). However, bureaucratism is by no means dead simply because a standardized freight bill has now replaced the 70 different forms needed in the past.

In any case, Willi May (Federal Association of Shipping and Warehousing) considers border delays the least of the industry's problems in Europe. In fact, by comparison with Dutch or Italian competitors, German trucks are at a considerable disadvantage. Annual taxes for a 38-ton truck amount to about DM10,000, triple those levied in the Netherlands.

Technical checks and social regulations in the FRG represent additional disadvantages. May says: "If a second man is required in the cab, costs rise considerably." Still, even German shippers and carriers are well aware that liberalization is only a question of time. Afterward, May expects "that we will find an answer."

And yet—German shippers should not let too much time pass by, nor should other industries with even greater investment costs. In the view of Marie-Paul Donsimoni of DRI Europa Inc in Brussels, only those firms will enjoy large profits in the 1990's "which constantly offer new products to the markets, products that call for much money to be spent on R&D." After all, following liberalization, a huge market is likely to open up for computer manufacturers, the telecommunication industry, electronics producers and aircraft constructors. After 1992, EC countries will be compelled to open the bidding for public purchasing orders to all members. The European Commission in Brussels assesses the value of public procurement orders at about DM800, and as long ago as 1983 the European Parliament computed at roughly

DM80 billion per annum the costs of sealing off national procurements in the member countries against European and international competition.

The prospect of such rich pickings has led even the Germans to abandon their traditional reserve toward cooperation with other European firms. Siemens, for example, is looking for alliances with other major corporations in Europe. Friedrich Ohmann, head of the German market leader's telecommunication section, even hopes that "liberalization (will destroy) state monopolies," because in the United States, Japan and England "monopolies have changed into dominant corporations."

Also: While Europe's great industrialists are enlarging their European base by purchases, we see the first signs of a new European management type. Imperial Chemical Industries (ICI), the British chemical giant, once British to the marrow from the boardroom to the last janitor, is accepting more and more non-British members into its board. Indeed, Wilhelm Simson, the German boss of the ICI Paints Division, the world's biggest paint and varnish manufacturer, goes so far as to say: "I assume that, in 20 years time we will no longer even mention the citizenship of a staff member. The job alone will be important." Carlo De Benedetti who bought into Europe with his Olivetti quite early on, already thinks this way. Half of the salaries he pays go to non-Italians—and De Benedetti does not even require a knowledge of the Italian language.

The management conferences of his holding company are conducted in English. The high tech firm European Silicon Structures (ES2), established in 1985, demonstrates that management and company may no longer have any national ties in the 1990's. The firm produces semiconductors. The management works in Munich, the factory operates in Rousset near Aix-en-Provence, the research laboratories are in Britain.

Chairman Robin Wilmot thinks that his firm benefits by its orientation to the European market. For 1990 he reckons with a total turnover of DM200 million.

The U.S. Gillette Corporation has provided an example of the savings that may already result from reorganization geared to a large market. The firm has replaced its former 15 subsidiaries in Europe by a system of production lines. Local product managers, responsible in the past for several products, are now supervising a single product in several European countries. Two years after the reorganization, Gillette recorded 30 percent cost savings—the economic law of mass production has been reconfirmed. Still, the politicians in Brussels will have to do an awful lot of work before such examples become common occurrences all over Europe. Yet to be dealt with is tax standardization, and the wrangles of European financial bureaucrats have made pessimists of some industrialists. In Belgium, a country that earns more than 60 percent of its gross national product by



foreign trade, 80 percent of industrialists do not expect the politicians to keep to the 1992 date. In the opinion of domestic market commissioner Lord Cockfield, this would mean "a fatal blow to the domestic market."

#### Wirtschaftswoche Poll

WIRTSCHAFTSWOCHE polled seven major corporations which will be specially affected by the development of the European domestic market.

The following were the questions asked:

1. What consequences are you expecting for your firm (business opportunities, risks) as the result of the large European domestic market beginning in 1992?
2. What do you consider to be the prerequisites for enabling the European domestic market to spawn a maximum of growth impulses?
3. What would be the consequences of the European domestic market without frontiers on your marketing system, your product range and your logistics?
4. Does the prospect of the European domestic market already affect your choice of personnel for medium and senior management positions in your firm (experience abroad, linguistic knowledge)?

Answers:

Dr Oetker

1. We expect improved export opportunities because some products will be equally marketable in all European countries. Country specific manufacturing costs will therefore tend to decline. On the German market, new foreign suppliers will mean greater competition.
2. From our standpoint, we consider helpful the simplification of legislation and the adjustment of regulations. Also desirable would be the gradual abolition of the bureaucratic interference that is particularly restrictive with respect to the food industry—ranging from agriculture to transportation and even our store closing hours law.
3. It is not yet possible to forecast the details of the effects on marketing and logistics. However, profound changes in the prevailing system are unlikely. As for the products proper, the Europe-wide marketing of national specialties will probably increase.
4. In general, linguistic expertise and experience of conditions abroad are already among the qualities displayed by our successful staff members. This trend will grow even stronger. We also expect the more intensive exchange with the managements of foreign subsidiaries to be helpful in everywhere reinforcing the European orientation of management.

BMW

1. European car markets are already largely familiar with the promised integration. We are therefore looking forward to 1992 with high expectations. Japanese imports are subject to different treatment in some countries. The lifting of import restrictions by 1992 represents a substantial risk to European car manufacturers.

2. We consider the standardization of technical regulations indispensable. The development of different technical systems involves unnecessary costs and ties up development capacities. National borders should not be resurrected by different tax systems, and currencies should continue to be largely coordinated.

3. Our product range, marketing and procurement systems are already oriented to European criteria.

4. Yes.

Daimler-Benz

1. We expect the free internal market to yield lasting incentives for getting the better of structural weaknesses in the EG. Europe has long been a "home market" for us. A potential sealing off of third countries may be a future risk. The lack of willingness to abandon national sovereignty rights might cut down on the favorable effects.

2. It will be imperative to abolish growth impeding bureaucratic regulation such as we note in particular in the still largely diverging legal and technical rules. The liberalization of the transportation market will have to be accompanied by effective progress toward coordination.

3. A European domestic market without borders and with coordinated technical standards will permit the cost saving standardization of the technical layout of the vehicles we offer for sale. The abolition of legal and tax hurdles will provide new incentives for the intensification of a marketing and procurement policy oriented to Europe.

4. Professional qualifications (and these include experience of business abroad or linguistic expertise) have long been considered important for an internationally minded firm such as Daimler-Benz. Evidently a free common inland market will further raise the value of such qualifications.

Schenker

1. A European inland market will yield favorable effects with regard to growth, employment and technical innovation. The shipper will recover his classic function as a large-scale buyer of freight space.



2. Road freight traffic offers special problems. If existing bans on the operation of foreign firms are slackened, taxes in the respective markets need to be the same for all transportation firms. Any preference for national companies must cease with regard to the award of traffic and despatch rights.

3. In the future the entire transportation industry will have to think in European dimensions. Cooperation or acquisition will therefore be the order of the day. Without Europe-wide transportation networks and without standard products with uniform trademarks and conditions, the competition already in progress cannot be won.

4. Our staffs have always been internationally minded. Linguistic expertise and experience of business abroad are part of the basic skills required. At the same time we have our own training programs to train additional staff for the new logistics needs.

#### Kuehne and Nagel

1. Since we are a transportation firm active internationally, we are expecting considerably greater demands in the logistic services sector—the slogan is “just in time.” The persistence of sharp divergences in the wage and social structures of the respective countries are bound to affect competitiveness.

2. We will need a comprehensive EC-wide leveling of social, tax and subsidy policies.

3. Doubtlessly favorable, provided the government regulatory framework (for example, customs laws, transport concessions, oil taxes and tax preferences) is liberalized in line with the expected price and competition situation. We have for some time concentrated our efforts on the build-up of company owned infrastructures in all EC countries.

4. Indeed. International business experiences as well as fluency in several foreign languages are emphasized in all training courses provided by our organization. A fuller understanding for and empathy with the mentality of the various nationalities will be a decisive factor in the competition.

#### Philips

1. Integration will result in cost savings, in international transportation for example, by standardization and the growing economy of scale. Competitiveness will grow, and we will become equal partners in the comparison with the United States and Japan.

2. The creation of a uniform European currency union, the general use of the ecu and the liberalization of capital transactions, standardization, uniformity of requirements on product performance, safety, international transportation. The abolition of discriminatory procurement measures by the various governments.

3. A European domestic market will provide Europe with a stronger negotiation position and, at the same time, make it possible for Philips to develop a worldwide product strategy and logistics that will result in economies of scale. Our operations will be geared to products rather than to national markets.

4. Middle and senior management at Philips work in a multilingual arena not only in Europe but worldwide.

#### Unilever

1. With respect to food laws, we welcome the expected easing in harmonization procedures; this will permit decisions to be made faster. The liberalization of capital traffic will improve the flexibility of our financial management. Finally, the directives of the tax laws will benefit foreign investors.

2. Any standardization improves growth opportunities. We have seen this operate in earlier integration efforts in the EC. However, it can result only in the improvement of general framework conditions. Any growth impetus is provided primarily by long-range sales and profit expectations.

3. Once the non-tariff trade barriers are abolished, marketing systems, product range and logistics of proprietary brand manufacturers will not change overnight. National differences such as consumer preferences (taste, product attractiveness, value scales) cannot be standardized from one day to the next—if ever.

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#### BELGIUM

##### Vandenbroucke Gives Socialist Views on Jobs, Growth

36140011 Brussels *KNACK* in Dutch  
27 Jan 88 pp 26-33

[Interview with SP minister-candidate Frank Vandenbroucke, by Chris De Stoop: “We Are Not After Revenge”; first paragraph is introduction]

[Text] What the future socio-economic policy of a government involving the Socialists should be, according to minister-candidate Frank Vandenbroucke.

If Frank Vandenbroucke has things his way, it will not be necessary for entrepreneurs to pack their bags yet, nor will investors be forced to stampede across the border. In the rudimentary sketch that he puts forth for a possible

socio-economic policy with a socialist bias, we find less vitriol in his position and more evasive language than at any time in the past. Praised for years as the coming man of the Socialists, the young economist and member of Parliament appears now to have arrived: A seat as minister is being warmed up for him.

**KNACK:** Apparently not a great deal is expected from a Socialist policy. Some are predicting the Echternach procession: The country is reverting to mismanagement. Others say that it will make little difference, that the maneuvering room is very small and the policy of recovery will in fact be continued.

**Vandenbroucke:** I think that both of them are wrong. We are certainly not returning to the mismanagement of the 1970s. Besides, even then the Socialists took a number of meaningful steps. I'm sick and tired of that hollow reproach to the effect that we are bureaucrats and so on; I wish people would finally read our texts. We have learned since then, gained international experience, seen the limitations of the French policy. I am in favor of "change," but President Mitterrand, who had a good plan, was wrong in the end: He wrongly thought that he would end up in an economic upswing and that he could row upstream in Europe all by himself.

Secondly, people contend that Left or Right, none of it changes anything. I am convinced that one can in fact make fundamental choices within small margins: A small amount of money, for example, can be applied to improving the situation of the older unemployed, or to reducing the VAT on gold and art work. It is true that the maneuvering room is limited: by the international context, by the large budget deficit and by the heavy debt, which makes us sensitive to what is happening on the capital market. Internationally, the situation does not look good. A recession is expected now, if not in 1988, then one year later. The artificial boom in the American economy has run aground on its own contradictions, and the dollar is in a free-fall. We did have the drop in oil prices in 1986, but that benefit has already been spent.

**KNACK:** According to Louis Tobback, the 1990s are going to be socialist years. Has the neo-liberal storm spent itself?

**Vandenbroucke:** The images upon which neo-liberalism is based have at any rate been shattered. Both the stock market crash and the rage of takeovers in Europe prove that popular capitalism is a false ideology. Many investors are presently licking their wounds. And the advent of De Benedetti shows that the small "popular capitalist" is merely a toy in the hands of multinational speculators, and that the economic game is not being "democratized." Even if De Generale makes a play for time, the ordinary stockholder is still the dupe, because his interest is suddenly devaluated by the increase in capital.

In order to make the 1990s socialist years, we must achieve results in three areas. First, we must pursue a far-reaching structure and modernization policy for industry, in part as preparation for the integrated European market in 1992. Secondly, economic progress is not possible in a society divided into haves and have nots, that must be part of social redistribution. Thirdly, we must form an open society, on the economic, social, as well as political level. The struggle against the malaise in Belgian politics must also be a Socialist priority: through controlling the financing of the parties, with an independent judiciary, ministerial accountability, etc.

#### Contracts

**KNACK:** The policy of reform must be replaced by a policy of restarting: What does that mean in concrete terms?

**Vandenbroucke:** Using a different structure for revenues and spending, you can achieve a completely different effect on consumption and economic growth. I am not at all a fanatic about growth, but our current growth, around one percent of the GNP, is a little less than the European average, and thus must be boosted up. The government can do this by stimulating significant activities. Thus, government investments must be increased again. For example, an investment plan for our water purification installations is urgently needed; this would require little money, create work and is ecological as well. Another example: If we want to strengthen the service sector, then we need better telecommunications alternatives, and government contracts can fulfill a motor function in that sense. Giant sums of money are not required here, although the choices must be qualitatively good ones. Purely public investments have shrunk to around 100 billion. If we increase that by 15 billion a year, focusing it on areas for the future, then we will have a lever to operate.

**KNACK:** Fifteen billion, that sounds like peanuts. Earlier your party proposed raising public investments up to the European level.

**Vandenbroucke:** Yes, but that is a target figure that has to be achieved in stages. At any rate, we should not turn the figures into a strait-jacket, like Verhofstadt: Wherever there are meaningful projects, you must make room for them. In addition, private investments must also increase, of course. It is critical that a government involving Socialists sit down and talk with companies about the enormous financial resources that they are not investing. I am not for a dirigist approach, but rather for a contractual one. Real contracts must be signed. On the one hand, the government offers certain things: orders and investments, support for expansion, tax breaks, infrastructure. On the other hand, the private sector must make certain commitments: this type of development program, this type of investment, this type of

employment. If the bosses don't want to carry any more weight, then the government should suspend their breaks, refuse to place any more orders... That's the big stick.

**KNACK:** Is there room for privatization in this restarting policy?

**Vandenbroucke:** That is absolutely out of the question. The entire privatization plan that was drawn up at the summer conclave must be declared unacceptable, certainly with respect to the ASLK [General Savings and Annuity Fund] and Distrigas. Why? Look, if you sell a share of stock on the market, you are selling the titles that give you the right to future revenues. The current market value is equivalent to negotiation of the future profits. The market is not interested in future losses. Unless it can convert them into profits under a different administration. However, administration is not inseparably linked to the property. It is true that you can do something about administration, but do it then by way of a sort of administrative contract, with broad autonomy. Thus, there is no reasonable argument for privatizing nationalized companies. On the other hand, let me reassure you that we do not want to immediately begin nationalizing, either.

#### Limits of Decency

**KNACK:** What effect should the restart have on employment?

**Vandenbroucke:** Unemployment cannot be resolved by economic growth alone. In order to do that, you have to deploy an entire battery of specific employment instruments. There is a double challenge: on the one hand keeping young people from sinking into long-term unemployment, and on the other hand offering real solutions to the long-term unemployed. As far as the first consideration is concerned, the national business accord for the end of 1988 should clearly yield one percent more in recruitment. A government involving Socialists must draw up a concrete framework for that accord. If the national business accord does not produce these results, then the government itself must take steps.

**KNACK:** One percent seems to be a bit meager compared to Martens' 5 x 5 x 3 formula.

**Vandenbroucke:** Yes, but he has never achieved three percent. The bosses who did not comply were supposed to pour money into a fund, but they never did: the biggest holdup of the last 10 years. Moreover, we want to expand the employment programs, particularly with respect to the long-term unemployed whom the private sector, after all, is no longer going after. But then we have to replace the current bogus statutes with one arrangement of "social projects," with a full-fledged contract of unlimited duration. The scandalous politicization must

also be halted here as well: Decisions on these projects must be made by a sort of Fund for Social Projects, although with a right to veto reserved for the responsible minister.

**KNACK:** Is this going to absorb the entire stockpile of 300,000 long-term unemployed workers? The ACV [General Christian Labor Union] is talking about four times 50,000 jobs a year.

**Vandenbroucke:** The ACV is right to harp on that point. But viewed realistically, we feel that aiming for 10,000 jobs a year is defensible. Now, other instruments must be used as well, because there is not one single miracle formula.

**KNACK:** In the 1983 SP alternative, there was talk of a 32-hour work week. In the 1985 campaign, you promised the 35-hour work week. In last year's campaign, I read something about the 38-hour work week.

**Vandenbroucke:** Our ambition has not been diminished: If Socialists are involved in the government, then they must set in motion a process of serious redistribution of labor. However, I myself no longer believe in a simple, linear shortening of the work week. Right now, I am thinking more along the lines of an expansion of career interruptions and a lowering of the retirement age. I feel that everyone should be able to retire after a 40-year career. Furthermore, it is critical that we reevaluate the massive growth in overtime and flexible work hours. These types of exceptional work plans should only be allowed if they are very heavily compensated for by a reduction in working time and by recruitments.

In the long term, we must radically reverse our social security, which is calculated on the basis of wages and is thus disadvantageous for labor-intensive operations. Social security must be grafted onto the added value in the companies. But that is a very expensive operation, and can be carried out only over the course of 10 or 20 years. In the short term, we can better spend our money on employment programs. In the meantime, I would in fact reduce social burdens, but not in Hansenne's wild, complicated manner. I would reduce it to two target groups: young people and the long-term unemployed.

**KNACK:** The upshot is: By how many units do you want to reduce unemployment?

**Vandenbroucke:** The social target for the 1990s must be a return to a situation of approximately 300,000 fully unemployed people. I know that it will be very difficult to achieve that in 4 years. But if we do not significantly decrease unemployment, then we have failed as socialists. Aside from that, it is obvious that we must in the meantime humanize unemployment. This means abolishing the stamp checks and exclusion on the basis of long-term unemployment. We also want all minimum benefits—not only in unemployment, but throughout the entire social security system—to be within certain limits



of decency. In concrete terms, the head of a family must receive at least 75 percent of the guaranteed minimum wage (25,000 francs), a single person 60 percent (20,000 francs) and a partner 40 percent (13,300 francs). This is an even formula for all social benefits, which are ultimately linked to the welfare of the active members of society, thus to the minimum wage.

This is not yet feasible in terms of the budget, but we do have to take a first step, by undoing part of the cutbacks to the unemployed, retirees and the disabled. At any rate, the minimum step to be taken is to increase these benefits and the minimum of existence by five percent. How much will these social corrections cost? Well, you can accomplish a number of significant things within a margin of 10 to 20 billion francs.

#### Purgatory

**KNACK:** It is a widely-held belief that Socialists will let the budget deficit escalate.

**Vandenbroucke:** The budget deficit must be reduced, but the fetishism of four percent is pure nonsense. Actually, a budget deficit represents the absorption of resources that are in a surplus elsewhere in the economy. Companies and private citizens are currently experiencing a significant savings surplus: around 10 percent of the GNP, approximately 530 billion francs. The fact that the government is borrowing and spending that money is not inherently bad. In terms of macroeconomics, this is a balanced situation. Subtract another two percent from that savings surplus, as a margin for companies to invest, and a total government deficit of eight percent is, strangely enough, not irresponsible. The difference between the total government and the federal government is between 1 and 1.5 percent of the GNP. Conclusion: For the federal government—the national treasury, that is—a deficit of 6 to 6.5 percent is perfectly responsible in macroeconomic terms.

There remains however, a second problem: There is a cancer in these debts, namely the self-feeding interest on the loans. The dilemma is that because of this, the real interest burden is growing faster than the development of the economy. How do you resolve that dilemma? By accelerating economic growth, controlling interest rates, optimally financing the debt and, finally, by restructuring finances. My position is this: The state should not spend more than the surplus on the capital market (thus, 6 to 6.5 percent), and it must gradually force down interest charges. But this cannot be achieved by hacking away at it too hastily. After all, restructuring has a social and economic cost, while interest charges are simply a financial cost.

**KNACK:** You felt that Eyskens' approach to the debt was scandalous.

**Vandenbroucke:** That approach by Eyskens produced next to nothing, and was a debudgetization in disguise. That type of window dressing is no longer necessary. Moreover, in exchange for it, he surrendered an important weapon. The banks were scared to death that something would finally be done about the very advantageous system of paying taxes abroad. A proper system must now be created for that. But no, Eyskens simply gave them a letter of safe conduct on that matter, a guarantee that nothing in their tax matters would change into the 1990s. It is obvious that we are not bound to that letter of safe conduct.

**KNACK:** Your party has strongly opposed the sharp rise in revenues from capital. Are these being skimmed off the top?

**Vandenbroucke:** The problem of taxes on personal income must be brought up again for discussion. The liberating personal advance levy, for example, is a curse: out of one million francs in investments, you get to keep 750,000 francs, but from one million in labor you get only 500,000. But there is more: Now everyone is on the SICAV. This is a new tax instrument with which you can escape every form of taxation in Belgium. Limits must be set for all of this. In a fundamental tax reform, all forms of investment, savings, etc. would be treated fairly and equally, so that the stock market—the most subsidized sector in recent years—will receive no more extra favors.

Socialists must at any rate also give priority to immediate tax reform for the benefit of the lower- and medium-incomes in particular. For example, by sharply raising the minimum taxable income, by eliminating joint returns for married people, by lowering taxes on substitute incomes... The rates can be lowered across the board if at the same time you readjust a number of unfair exemptions and deductions. Some sort of action on tax expenditures is urgent. An enormous amount of money is currently going into the coordination centers, a sort of fiscal amusement park for companies. This can be scaled back.

**KNACK:** What about so-called large property and super-profits?

**Vandenbroucke:** A property tax should certainly be a Socialist ambition. And if we were to be confronted with a totally unwilling private sector, accumulating the profits and not investing them, then I would feel that a tax on super-profits would also be called for.

**KNACK:** But to summarize, are you not seeking revenge after 6 years of quarantine?

**Vandenbroucke:** Revenge makes me think of favors and political appointments, and that time has certainly not come for us. If you mean by revenge that we are now going to repeal a bunch of measures, then I feel that that too is wrong. Even though there are obviously things that



we cannot leave as is, such as the liquidation of the anti-fraud office of the BBI [Budget Monitoring Institute]. But we should not work with little lists of things where we want revenge, but rather with lists of future challenges.

**KNACK:** Are you not afraid personally that you will put your credibility on the line in exchange for a cabinet position?

**Vandenbroucke:** It is a Belgian disease that Parliament is always regarded as a purgatory for would-be ministers. Regardless of whether I am a minister or a member of Parliament, I must play my role with the same level of intensity, and I am equally responsible for subjects such as employment and social policy, areas that I know best. Now, I have no problem with compromising, but on the other hand a continuation of the present policy would be political suicide. I have all confidence that we will be able to achieve the "change," a different policy that is not necessarily coupled with massive spending, but with qualitative improvements.

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## FEDERAL REPUBLIC OF GERMANY

### Bangemann Sees Troubling Decline in Business Investment

36200069a Duesseldorf WIRTSCHAFTSWOCHE  
in German 29 Jan 88 p 29

[Commentary by West German Economics Minister Martin Bangemann]

[Text] Last year German firms invested about DM237 billion in the expansion and modernization of their production plants. We expect equipment investments to rise by about DM5 billion in 1988, just about 3.5 percent more than in the previous year. Investments, therefore, will not provide any substantial growth impetus. The 1.5-2 percent growth forecast will largely depend on consumer demand that is likely to rise by slightly more than 4 percent, once again doing better than equipment investments.

We cannot possibly be satisfied with this inadequate investment dynamism. Long-range growth and employment prospects would certainly worsen in that case. After all, today's investments determine tomorrow's production potential and job availability.

Direct foreign corporate investments provide an important indicator for assessing an investment location. And in this respect we are bound to regretfully note that the FRG has lost much of its attraction. The Japanese are now investing far more in Britain than in the FRG.

German firms also are investing about DM20 billion more in the U.S.A. than are flowing back from that country. This contrasts with the situation in 1976 when

the balance favored the FRG as an investment location to the tune of DM5.2 billion. We are evidently lacking sufficiently long-term profitable investment projects capable of use in business.

The FRG long ago stopped being a low wage country, let alone a tax haven. However, for a long time this did not harm the willingness to invest in our country, because our markets developed more dynamically than any others, and we were also always on top with respect to productivity. This situation no longer prevails. Other countries display a greater dynamism in development, because they have more resolutely deregulated and lowered taxes earlier.

Important corrections have already occurred with regard to taxation. The 1990 tax reform will also result in substantial relief for corporations. Still, I consider that additional reforms are urgently needed in the next legislative term to improve corporate taxation.

To give industry greater breathing space, we need to prune bureaucratic regulations that have tended in the past to turn into impenetrable thickets. I have great expectations about the work of the newly appointed deregulation commission, composed of independent businessmen and professors. We hope for their help in sharply cutting back the underbrush of regulations and reducing government interference.

A beginning has already been made. Later this year, the Federal Government will relax the law governing store closing hours in order to introduce a service evening and will enact the reorganization of the postal and telecommunication services.

A country's suitability for industrial location, though, is not judged only in terms of "hard" and measurable facts such as wages, taxes or social security contributions. Our country is renowned abroad for top technical quality, hard work and reliability. Our considerable international competitiveness benefits from this image even where we are no longer competitive in terms of price. Unfortunately, this positive image is now showing some cracks.

A hitherto unfamiliar situation has arisen in some regions here. Only a few years ago, we pitied Britain when the labor unions there insisted on having a fireman even on electric locomotives.

Nowadays unions on the Rhine and the Ruhr are fighting with the same kind of obstinence for the preservation of steel plants which lose more than DM100 million each year. The corporations affected are short of this money for providing profitable jobs in other fields of production. Doubts are arising therefore, as to whether we Germans will be able to cope with the necessary structural changes.

Foreign statesmen told me with amazement that they had not believed it possible for such situations to arise in a German economic region as, for example, in Rheinhausen. The persistent public demonstrations, the blockades of traffic tolerated by the government, the expensive "strolls" to other steel firms and, most of all, the assertion that workers in the Ruhr were resolved not to accept a job "across the Rhine,"—all these are destroying the earlier positive image of the "hard working German."

The effect on corporations looking for locations is devastating well beyond the North Rhine-Westphalian Land borders—for our image as well as for our attractiveness as an investment location.

It will obviously be necessary for social measures to accompany the structural change. It is just as obvious that the government needs to help in the provision of alternative jobs, even though the ultimate responsibility lies with the corporations, employers and employees. On the other hand, subsidies which preserve the structure do not represent an appropriate solution. No national economy can be rescued from the morass by means of permanent subsidies. After all, in the end someone has to pay for such subsidies.

The economic and social costs of the ultimately inevitable structural adjustment are rising each day we close our eyes to reality. Investments require faith in the future. We need to constantly earn such confidence by our willingness to perform and adjust.

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## GREECE

### Poll Gives Data on Employment, Earnings, Unemployment

35210066 Athens ELEVETHEROTYPIA in Greek  
11-13 Jan 88

[11 Jan 88 pp 13-15]

[Text] Twenty-six percent of the Greek people (the majority women, primarily housewives) have never worked and do not look for work. Also, only 48 percent of adult Greeks work on a permanent basis, while the remainder do not have permanent employment. Of those working on a permanent basis, two-thirds are men and one-third women.

These are a few of the interesting statistics of a panhellenic poll conducted by the ICAP-GALLUP firm for ELEVETHEROTYPIA on the subject: employment of the Greek people. Other facts that ensued from this poll are the following:

1. Eight percent of the Greek people and one-third of all diploma holders work in some public service office.

2. Three-fourths of higher and advanced education graduates have permanent employment.

3. Those who belong to households having high incomes tend to work on a permanent basis on a greater rate than others.

4. Four in 10 unemployed are young people under 24 years of age and 8 in 10 unemployed are not registered in unemployment offices.

### How the Poll Was Conducted

The poll was conducted by the ICAP-GALLUP survey unit between 16 October and 3 November 1987 on all levels of the Greek population by sex, age, education, family income and geographic division. A total of 56 men and women pollsters, under the supervision of six inspectors, took part in this scientific survey.

The sample was chosen through the random sample selection process and proportionately distributed by sex, age, group, geographic division and size of city as to the real population. For example, 31 percent of those interviewed were from Athens and 7 percent from Salonica because this is the exact percentage of these two cities in the overall population of the country. Also, 22 percent of the interviews occurred in Makedonia and 10 percent in Peloponnisos, i.e., according to the percentage of the population in these two geographic divisions, etc.

### Questions Asked

The following groups of questions were put to the 2,000 persons interviewed:

1. How are you employed professionally? Permanently only or permanently and temporary? Formerly temporary or never temporary? Aren't you working on a permanent basis now? Did you work in the past or haven't you ever worked? Are you now looking for work on a permanent basis or a temporary basis?

2. Where do you work permanently? In a public service, private enterprise, in a shop or are you in a liberal profession?

3. Whom of you work as temporary workers for certain hours a day or week?

4. If you are looking for work, are you or are you not registered in an employment office?

The answers of each person interviewed in the detailed questionnaire were subsequently recorded by sex, age group, education, family income, size of city and geographic division where he or she lives.

From an analysis of the data drawn from the ICAP-GALLUP poll it ensued that only half of the Greek people, specifically 48 percent, work on a permanent basis. The remaining 52 percent do not work on a permanent basis.

Of the above 48 percent, only 3 percent state that they work both permanently and temporarily. The majority of the latter (37 percent) have never worked temporarily nor do they seek temporary work. Only 7 percent of the permanent workers had at one time a temporary job, as they said, but are not interested in anything like this now. The permanent workers who said that they are also looking for temporary work are very few in number (about 0.5 percent).

Now, of the 52 percent who are not employed on a permanent basis, the majority (i.e., 47 percent) are not looking for work, either those who had work in the past (21 percent, primarily pensioners) or those who had never worked (26 percent, mainly housewives). Thus, only the remaining 5 percent (4.75 percent more precisely) can be described as really unemployed who are looking for work (according to what they say), either those who worked in the past (4 percent) or never worked (1 percent).

The above general statistics of the ICAP-GALLUP poll are confirmed as credible by the conclusions arrived at by the labor force survey conducted by the National Statistical Service of Greece (ESYE) in 1985 among people 14 years of age and above. In this survey, the ESYE ascertained that, sample-wise, of an overall population of 7,686,100 (100 percent), 3,588,600 (47 percent of the total) were employed, while the non-working force came to 3,793,600 (49 percent), while the number of unemployed came to 303,900 (4 percent). In comparison, the ICAP-GALLUP poll includes the non-working labor force as well as the unemployed in the total of the non-working on a permanent basis.

#### Number of Men and Women

The above analysis of the representative sample of the ICAP-GALLUP poll holds true for all those questioned, regardless of sex. This survey, however, went into more details. Thus, when an analysis is made of the data resulting by sex, then significant differences between men and women are shown.

It, therefore, results that it is men who primarily work on a permanent basis, while, on the other hand, women primarily do not work (according to what they say). In other words, in the above 48 percent who work on a permanent basis it is the men who predominate on a two to one ratio vis-a-vis women. Or, if the percentages were to be figured differently, two-thirds and more of the men work on a permanent basis and a little under one-third of the women.

More specifically, in the category of the permanently employed, men constitute double the number of women in the subcategory of those who have never worked temporarily and who are not interested in it, triple the number of women who have at one time worked temporarily but who are no longer interested in something like that and, finally, quadruple the number of women who work permanently and temporarily.

However, in the category of the non-permanent workers, women are about two and a half times more than men, both in absolute numbers and in percentages. Thus, the poll showed that 68 percent of all women (compared to only 26 percent of all men) are not looking for work today, even though they had worked sometimes in the past. In this subcategory, women evidently are primarily engaged in housework or it could be that they are attending school.

Specifically, 47 percent of women (compared to 4 percent of men) have never worked in their lives. However, in this subcategory of non-permanent working persons today but who had worked sometimes, the percentage of the two sexes is about the same (22 percent for men and 21 percent for women).

#### Workers According to Age Group

The ICAP-GALLUP poll analyzed all those questioned by (mainly decades) age brackets 18 years and over. It was thus determined that half of those working on a permanent basis (regardless of sex) belonged to the middle age category, i.e., 25-44 years of age, even though the older age group, i.e., 45-64 years of age, also showed an appreciable percentage.

Specifically, relatively high percentages are shown by those having regular and evidently satisfactory work (i.e., only permanently working persons who are not looking for more work) between 35 and 44 years of age (53 percent of the total), 45 and 54 years of age (45 percent) and a small percentage, those between 25 and 34 years of age (43 percent), as well as those between 55 and 64 years of age (36 percent). A much smaller percentage is found among young people 18 to 24 years of age (27 percent).

In the 25-34 age bracket, 13 percent were acquainted with temporary work in the past but are now working on a permanent basis and are not interested in going back to the previous state of affairs. The small percentage of those who work on a permanent and temporary basis at the same time is to be found primarily in the 35-44 age bracket (5 percent) with a small percentage in the remaining age groups.

Those not working on a permanent basis are to be found mainly in the younger age bracket, i.e., 18-24 years of age, as well as in the older age bracket, i.e., 55 years and above.



The former are young people who are perhaps still attending school or are just beginning their work careers and it is natural that they have not yet found permanent work or are perhaps still looking for some kind of work for which they had studied. This latter point, moreover, is the reason given by three-quarters of all those who never worked but who are looking for a job.

Specifically, 62 percent of all those in the young 18-24 age bracket do not work on a permanent basis. A 49 percent are not looking for work, evidently because they are still in school, while only 13 percent are looking for work.

The very few men (4 percent compared to 47 percent women) who belong to the subcategory of those who do not work on a permanent basis, have never worked and are not looking for work, must be sought mainly in the 18-24 age group. Especially because among them are included persons who for some reason or another cannot work, i.e., they may still be in school, are in the military or simply perhaps waiting to be appointed somewhere.

The greater percentage of those who do not work on a permanent basis are generally to be found among those 55 years of age and above (they specifically make up 55 percent in the 55-64 age group and 88 percent among those 65 years old and above). More specifically, those who had worked in the past but who are no longer looking for work make up 33 percent in the 55-64 age group and 51 percent among those 65 years of age and above.

In the subcategory of those persons who do not work on a permanent basis, have never worked and are not looking for work (22 percent in the 35-44 age group, 25 percent in the 45-54 age group, 28 percent in the 55-64 age group and the biggest percentage, 36 percent among those 65 years of age and above) are to be found mainly women who, as we mentioned previously, come to 47 percent of the total of women who were questioned and who evidently are occupied for the most part with housework.

#### **Educational Level of Workers**

In the ICAP-GALLUP poll, 43.5 percent of those questioned stated that they had primary school education, 40 percent secondary school education (junior and senior high school) and 9.5 percent higher and advanced education.

The remaining 7 percent did not give any educational level and evidently this percentage includes those who did not complete elementary school or who never attended school.

The most significant conclusion that comes out of an analysis of the educational data on working persons is that the more education they have the more they succeed in obtaining permanent work. Thus, only 40 percent of

persons with elementary education have permanent work. This percentage, however, goes up to 55 percent for persons having secondary education and reaches a significant 77 percent for those having higher and advanced education. Thus, it clearly appears that those following the three-level educational system (elementary, secondary and advanced) succeed for the most part in obtaining permanent employment.

Those having higher and advanced education generally predominate in all the subcategories of the permanently employed workers. Thus, 58 percent of the persons with higher and advanced education work on a permanent basis only, have never worked on a temporary basis and are evidently satisfied since they do not look for temporary work. The corresponding percentages drop to 43 percent for persons with a secondary education and only 30 percent for those with elementary education. Also, 5 percent of those more educated persons succeed in getting permanent and at the same time temporary work, compared to 4 percent of persons with secondary education and only 2 percent with elementary education.

However, in the subcategory of those who now work on a permanent basis but who in the past had temporary employment, without their now seeking such employment, those with higher and advanced education made up 14 percent of the total, those with secondary education 8 percent and those with an elementary education 7 percent.

With regard to the non-permanent working persons, the corresponding percentages are, of course, just the opposite of the previous category. In other words, 60 percent of persons with elementary education, 45 percent of persons with secondary education and only 23 percent of persons with advanced education belong to the non-permanent working category.

A big percentage of persons with elementary education (specifically 58 percent) not only do not work on a permanent basis but neither do they look for work today. Most (32 percent) have never worked and evidently quite a few housewives belong to this category.

Some 38 percent of persons with secondary education and only 19 percent with higher and advanced education do not work on a permanent basis and do not look for work. Of these, 19 percent of the former and only 5 percent of the latter have never worked in the past.

[12 Jan 88 pp 13-15]

[Text] The great majority of the Greek people (56 percent of those questioned in the ICAP-GALLUP poll) have a monthly family income of under 80,000 drachmas, while only 2.5 percent have incomes over 150,000 drachmas. Also, according to the poll, those who



have big family incomes seek to find permanent employment. Of particular interest are those statistics on employment by region and by type of work of those who work on a permanent basis. These statistics are analyzed today.

The ICAP-GALLUP pollsters asked those interviewed to give their overall monthly family income, i.e., not their own personal income but the overall income of the household to which they belong. (In all cases the gross income is meant, i.e., before taxes.)

Thus, 56 percent of those questioned said their monthly family income was under 80,000 drachmas, 16 percent had incomes between 80,000 and 120,000 drachmas, 5 percent had incomes between 120,000 and 150,000 drachmas and only about 2.5 percent over 150,000 drachmas a month. A big percentage of those questioned (20 percent) refused to give their family income.

From the above data it becomes evident that the number of households that have higher incomes is gradually and significantly decreasing.

However, what is noteworthy is that the higher the family income the more the persons involved tend to work on a permanent basis. Specifically, employed on a permanent basis are 78 percent of those who have a monthly family income of 150,000 drachmas and above, 66 percent of those with an income between 120,000 and 150,000 drachmas, 60 percent of those with an income between 80,000 and 120,000 drachmas and only 41.5 percent of those with an income under 80,000 drachmas.

Those belonging to the highest income level predominate percentage-wise in all the subcategories of those permanently employed. Thus, for example, 4 percent of those who have the highest family income level work both on a permanent and temporary basis, compared to 1 percent, 3 percent and 3 percent in the remaining levels. Also, 73 percent of those who belong to the highest income level and who work on a permanent basis only stated that they are not interested in temporary employment, while this percentage gradually drops to 65 percent, 56 percent and 37 percent for the remaining corresponding levels.

#### Employment and Income

As is understandable, the percentage of those who do not work on a permanent basis is the opposite of those of the above-mentioned category. Thus, 58.5 percent of those whose overall family income is under 80,000 drachmas a month do not work on a permanent basis, 40 percent of those whose income is between 80,000 and 120,000 drachmas, 34 percent of those whose income is between 120,000 and 150,000 drachmas and only 22 percent of those who have the highest income of 150,000 drachmas and above a month.

Some 54 percent of those belonging to the lowest income level do not work on a permanent basis nor do they look for work for varying reasons (probably housewives for the most part). The percentage decreases gradually as income increases, rising to 37 percent, 30 percent and only 22 percent at the highest income level. This also explains why the survey did not mention any person with a family income of 150,000 drachmas and above who is looking for a job.

#### Workers by Region

As we mentioned above, 48 percent of all those questioned throughout the country work on a permanent basis while 52 percent do not do so. However, there are certain deviations from these general statistics according to the various regions and geographic divisions of the country.

We thus see, generally-speaking, that the percentage of those working on a permanent basis is lower than the national average in urban areas (with a population of 10,000 inhabitants and above), about the same in semi-urban areas (2,000-10,000 inhabitants) and above the average in rural areas (under 2,000 inhabitants).

More specifically, the permanently employed constitute 43 percent of the total sample in Athens, 47 percent in Salonica, 44 percent in other big cities with 50,000-150,000 inhabitants, 43 percent in remaining urban areas and 47 percent in semi-urban areas. In rural areas, the percentage fluctuates between 51 percent in small communities with up to 500 inhabitants and 56 percent in bigger communities with 500-2,000 inhabitants.

By geographic division, the smaller percentages of those working on a permanent basis appear in Thessalia, Ipeiros and the Ionian Islands (41 percent) as well as mainland Greece and Evvoia (43 percent). These percentages increase to 49 percent in Makedonia and Thraki, while the biggest percentages are observed in Crete and the Aegean Islands (55 percent) and particularly in Peloponnisos (62 percent).

A 4-8 percent of those permanently employed work both on a permanent and temporary basis in rural areas, while in the urban and semi-urban areas this percentage is the same as the national average (3 percent) or lower. In Peloponnisos, however, a particularly high 14 percent is observed in this subcategory and 4 percent in Crete and the Aegean Islands. In the remaining regions this percentage is insignificant.

In the subcategory of those who work on a permanent basis and are not looking for temporary jobs (national average 44 percent), the corresponding percentage fluctuates from 42 percent in Athens, 44 percent in Salonica, 41-42 percent in the remaining urban areas, 45 percent in the semi-urban areas and up to 47-48 percent in rural areas. It is also 39 percent in Thessalia, Ipeiros and the

Ionian Islands; it comes to 42 percent in mainland Greece, 47 percent in Makedonia, Thraki and Peloponnisos and goes up to 51 percent in Crete and the Aegean Islands.

Only in Salonica a 2 percent of those questioned stated that even though they had permanent jobs they were also looking for temporary work. In the remaining areas the corresponding percentage was insignificant.

The percentage of those not working on a permanent basis is, of course, just the contrary of the previous by region and geographic division. Thus, in comparison with the 52 percent of the total that is the national average for those not working on a permanent basis, the corresponding percentage comes to 57 percent of the total in Athens, 53 percent in Salinica, 56 percent in the remaining urban areas, 53 percent in the semi-urban areas and only 44-49 percent in rural areas.

#### Nonpermanent Work

By geographic division, 59 percent of the sample do not work on a permanent basis in Thessalia, Ipeiros and the Ionian Islands, 57 percent in mainland Greece and Evvoia, 51 percent in Makedonia and Thraki, 45 percent in Crete and the Aegean Islands and only 38 percent in Peloponnisos.

Of those non-permanent working persons, 52 percent of the Athenians are not looking for work, while only percent do [as published]. The corresponding percentages are 48 and 5 percent in Salonica as well as in semi-urban areas and 38-45 and 4-6 percent in rural areas according to the size of the community or municipality.

Finally, the corresponding percentages are 53 and 4 percent in mainland Greece and Evvoia, 52 and 7 percent in Thessalia, Ipeiros and the Ionian Islands, 46 and 5 percent in Makedonia and Thraki, 41 and 4 percent in Crete and the Aegean Islands and 36 and 2 percent in Peloponnisos.

#### Type of Work of Permanently Employed Persons

The ICAP-GALLUP poll also determined the kind of work engaged in by the 48 percent of the Greeks who said they worked on a permanent basis.

It was thus determined that 8 percent work in the public sector, 9.5 percent in private enterprises, 12 percent in shops and 18.5 percent in the liberal professions. Public services: So, contrary to what is usually said about an alleged excess of public servants, those working on a permanent basis in the public sector make up only 8 percent of the population. What is of special interest is that men make up double the number of women in the public services.

The poll divided those working in the public sector into cadres, white collar workers and blue collar workers. Cadres (i.e., those having the higher grades) make up 8.5 percent of those working in the public sector. The ratio of men to women in this subcategory is four to one.

In the white collar category, that is 67.5 percent of those working in the public sector, women make up the main bulk of all women who work in the public sector, while men continue serving here too on a ration of three men to two women. Finally, blue collar workers, who make up the remaining 24 percent of the public sector, are almost all men.

#### Cadres and Blue-Collar Workers

Public sector cadres are exclusively in the 25-24 age bracket [as published], half are in the 45-54 age bracket, that is at the age they reached with promotions and the acquisition of suitable experience.

Seven in 10 public service employees are in the 25-44 age bracket and another two in 10 are in the 45-54 age bracket. Few are in the younger and older age groups.

Most of the public sector blue collar workers are also to be found in the 25-44 age group. As is understandable, there is no mention of any person 65 years of age and over as working for the public sector.

As for the educational level of those working in the public sector, cadres are those who have graduated from secondary schools and primarily from higher and advanced schools. White collar workers have mainly graduated from secondary schools and secondly from higher and advanced schools, while there are very few with only elementary school education. Finally, public sector blue collar workers are those who mainly reached elementary and secondary level of education.

It must be pointed out that even if the public sector includes only 8 percent of all the Greeks 18 years of age and above, it absorbs 33 percent of all secondary school graduates but only 2 percent of those with elementary education.

Public sector cadres are to be found in all family income levels, while almost half stated that their family income came to under 80,000 drachmas a month. White collar workers are about equally divided, half in the income level of up to 80,000 drachmas and the 80,000-120,000 drachmas level, with very few in the higher levels. Blue collar workers also are mainly in the lowest income level and secondly in the immediately higher level.

As is understandable, from a geographic division aspect, a big percentage of those working in the public sector are concentrated for the most part in the capital and secondly in the remaining big urban centers. Thus, six in 10 cadres and half of the white and blue collar workers are in Athens, while very few are to be found in the semi-urban and rural areas.

By geographic division, the biggest percentage of those working in the public sector is to be found in mainland Greece and Evvoia, with a smaller percentage in Macedonia, Thraki, Crete and the Aegean Islands, with the smallest number of all in Peloponnisos.

[13 Jan 88 pp 14-15]

[Text] The greater percentage of Greeks who declare a family income of over 150,000 drachmas work in private enterprises. The great majority of cadres in the private sector are men. Male white collar workers are double the number of female ones, while male blue collar workers are triple the number of female ones.

Those who seek work cover about 5 percent of those who were questioned during the panhellenic poll conducted for ELEVETHEROTYPIA by the ICAP-GALLUP firm.

An analysis of these statistics is provided in today's edition of ELEVETHEROTYPIA. Numerically, men predominate in all three of these subcategories. The overwhelming majority of cadres are men, while among white collar workers men make up double the number of women and triple among the number of blue collar workers.

Cadres are mainly in the 35-54 age group, while white collar workers are mainly in the 35-44 age group, with relatively smaller percentages in the older age groups. The blue collar workers, who make up 54 percent of those working in private enterprises, belong to almost all age brackets up to 54 years of age, with very few in older age groups.

Cadres and white collar workers in private enterprises are graduates of secondary schools and mainly of advanced schools, while blue collar workers are divided between elementary and secondary school education. It should also be emphasized that private enterprises absorb 19 percent of all advanced school graduates, 12 percent of all secondary school graduates and 6 percent of those with elementary school education.

Private enterprise cadres belong to all family income levels, with some emphasis on the higher levels. White collar workers are mainly to be found in the income level of up to 120,000 drachmas a month, while blue collar workers in the lowest level of those under 80,000 drachmas a month, with a secondary percentage in the 80,000-120,000 drachmas level. It can generally be said

that 24 percent of all Greeks who declare a monthly family income of 150,000 drachmas and more are to be found in the private sector compared to only 17 percent in the public sector.

Cadres and white collar workers in private enterprises are those who concentrated in Athens, Salonica and other big cities. Specifically, 85 percent of cadres who evidently manage these enterprises, are to be found in Athens. Also, most of the white collar workers are in Athens and in other urban centers.

On the other hand, blue collar workers in private enterprises are assigned to all regions of the country (urban, semi-urban and rural).

By geographic division, cadres, as it has already been mentioned, are for the most part concentrated in mainland Greece and Evvoia, with fewer in Macedonia, Thraki, Thessalia, and Ipeiros.

Over half of the white collar workers are in mainland Greece, with significant percentages in Macedonia and Thraki but also in Crete, the Aegean Islands, Thessalia, Ipeiros and the Ionian Islands.

Half of the blue collar workers in private enterprises are also in mainland Greece, one-fifth in Macedonia and Thraki and the remainder in other geographic divisions.

### **Shops**

According to the ICAP-GALLUP poll, 12 percent of the overall population works in shops. The interesting factor, however, is that shop owners are four and a half times more in number than employees, something that means that a very large number of shops in the country operate with only the shop owner without any employees.

Among shop owners, men outnumber women two and a half times, while among shop employees women outnumber men.

Shop owners are to be found in all age brackets but primarily in the 35-44 age bracket and secondly in the immediately following and preceding ones. On the other hand, employees are primarily in the 18-24 age group, with a few up to 44 years of age and very few in higher age groups.

Most shop owners are secondary school graduates (53 percent), followed by elementary school graduates (37 percent), while there are some with advanced school diplomas (9 percent). Among employees, three-quarters stated that they had graduated from senior high school, while there are fewer with elementary education and very few with advanced education. Generally, shops absorb 11 percent of all advanced school graduates, 17 percent of secondary school graduates and 9 percent of those with elementary education.



Shop owners are to be found in all family income levels. However, it is noteworthy that they constitute 22 percent of all persons in the country who declared a monthly family income of 150,000 drachmas and above.

On the other hand, employees are limited for the most part to a monthly family income of under 80,000 drachmas. The poll does not make any reference to shop employees in the highest income level. This perhaps is due to their young age, to the lack of specialization and to their relatively limited earnings.

Because of their very nature, shops are distributed throughout the country, in all regions according to the level of urbanization and in all geographic divisions.

A proof of this is that only 24 percent of shops are in Athens, while 13 percent are in Salonica, 19 percent in other urban areas, 19 percent in semi-urban areas and the remainder in rural areas of the country.

They are distributed throughout all the geographic divisions of the country with most in mainland Greece, Makedonia and Thraki, i.e., according to the distribution of the population.

Shop employees, wherever they are, also follow shop owners. The greater portion are in Athens and more generally in mainland Greece, Salonica, Makedonia and Thraki, followed by the remaining regions and other geographic divisions.

#### **Liberal Professions**

According to the ICAP-GALLUP poll, liberal professions make up 18.5 percent of the population or over one-third of the total number of persons working on a permanent basis. The poll divided the liberal professionals into technicians and farmers, who make up the overwhelming majority (92 percent of the liberal professionals), all kinds of professional personnel (6 percent), while the remainder are salesmen and traveling salesmen.

In the subcategory of technicians and farmers, men outnumber women two to one. Technicians and farmers are mainly in the 35-54 age bracket (46 percent), followed by the 55-64 age bracket (20 percent), 25-34 age bracket (16 percent), etc.

Some 59 percent of technicians and farmers have elementary school education and 39 percent secondary school education. Very few are graduates of advanced schools. In other words, this subcategory absorbs only 4 percent of all higher education graduates, 16 percent of secondary school graduates and 23 percent of persons with elementary school education.

About one-fifth of technicians and farmers refused to declare to what income level they belonged. Of the remainder, the big majority (78 percent) declared a

monthly family income of under 80,000 drachmas, 13 percent an income of 80,000-120,000 drachmas, 8 percent an income of 120,000-150,000 drachmas and only 1 percent an income of over 150,000 drachmas.

Technicians and farmers appear in all regions and geographic regions of the country. In fact, technicians make up the overwhelming majority of 21 percent of those who live in Athens and other urban areas. On the other hand, 67 percent who live in agricultural regions are made up in large part by farmers. The remaining 12 percent in semi-urban areas are distributed between the two groups.

Three-fourths of technicians and farmers are about equally distributed in the geographic divisions of mainland Greece, Evvoia, Peloponnisos, Makedonia and Thraki, with a small predominance in the latter. It is characteristic that over two-thirds of all the permanently working persons in Peloponnisos belong to the technicians and farmers subcategory.

#### **Professionals**

Professionals are primarily men at a three to one ratio to women. They are 25 years of age and over, while half belong to the 35-44 age bracket. Of course, all have university education and constitute 11 percent of all university graduates.

The family income of professionals who answered the relative question fluctuates mainly between 80,000 and 120,000 drachmas a month, while a few declared income of over 150,000 drachmas.

About two-thirds of the professionals are concentrated in Athens and the remainder are in large urban centers. They are geographically distributed mainly in mainland Greece and Makedonia.

Finally, those traveling salesmen questioned were very few in number. Of them, the biggest percentage was made up of men in the 18-44 age group. Almost all have education and their family income does not surpass 120,000 drachmas a month.

A 6.3 percent of all those working on a permanent basis (who, as previously mentioned, constitute only 3 percent of the overall poll sample) declared that they also have temporary employment for certain hours a day or week or a few afternoons.

In this particular category, men outnumber women four times or more. Three-quarters of all are engaged as technicians and mainly as farmers. The big majority have elementary and secondary education and have a family income of under 120,000 drachmas a month. Most are to be found in agricultural areas.



White collar workers with similar work are engaged temporarily in private enterprises, they are shop owners or professionals who offer their services on a temporary basis as liberal professionals.

As mentioned previously, the poll uncovered multiple employment only to the extent declared.

#### How Many and Who Are Unemployed

The genuinely unemployed, meaning those who are looking for work, as found in the ICAP-GALLUP poll, make up a little less than 5 percent of the total sample (about 6 percent men and 4 percent women).

Four-fifths of all persons looking for work (men outnumber women two to one, of different age groups) worked in the past, while the remaining one-fifth (women outnumber men two to one, mainly young age groups) have never worked.

The biggest group of unemployed (39 percent) are young people between 18 and 24 years of age, followed by those between 25 and 34 years of age (33 percent), while the number of unemployed decreases in the older age brackets. Specifically, 13 percent of unemployed are 35-44 years of age, 7 percent 45-54 years of age and the remainder 55 years of age and over.

As for the level of education, 62 percent are secondary school graduates, 22 percent have only elementary school education, while 9 percent are university graduates. The remainder did not declare their educational level.

About two-thirds of unemployed come from households with a monthly family income of under 80,000 drachmas, while most of the remainder have a family income of 80,000-120,000 drachmas a month.

A 25.5 percent of unemployed are to be found in Athens, 8.5 percent in Salonica, 24 percent in other urban areas, 10.5 percent in semi-urban areas and the remaining 31.5 percent in agricultural areas. If one were to compare these percentages with the real population of the above areas then it will be observed that unemployment is

comparatively lower in Athens and higher in Salonica and the other urban areas, while it is about average in semi-urban and agricultural regions of the country.

By geographic division, it has been determined that 34.7 percent of unemployed are in mainland Greece and Evvoia, 6.3 percent in Peloponnisos, 16.8 percent in Thessalia, Ipeiros and the Ionian Islands, 32.6 percent in Makedonia and Thraki and 9.6 percent in the Aegean Islands and Crete. If one were to compare these percentages with the population of the above regions then we will ascertain that the unemployment percentage is relatively low in mainland Greece and Peloponnisos and relatively high in Thessalia, Ipeiros, the Ionian Islands, Makedonia and Thraki, while it is about average in Crete and the Aegean Islands.

#### Unemployment Fund Offices

The most noteworthy fact in the poll relative to unemployment is that 82 percent of those who declared that they were unemployed were not registered with an unemployment fund office and thus are not to be found in the office's files. Only 15 percent are registered, while the remaining 3 percent did not answer this question.

Of those registered with the unemployment office, the overwhelming majority are men, something that means that the ratio of those men not registered with those registered is about three to one. As for women, almost all (95 percent) are not registered.

The percentage of those not registered vis-a-vis the total number of unemployed is high in all age brackets. Nine in 10 young unemployed are not registered in unemployment fund offices because they did not manage to work in the past or they did not have the required number of stamps to register.

Most non-registered unemployed have secondary and elementary school education, with few with a university education. They belong to family income levels of under 120,000 drachmas.

Finally, the percentage of non-registered with unemployment fund offices is high in generally all regions of the country (including Athens and Salonica), with a lower percentage in Crete and the Aegean Islands and higher in Peloponnisos.

TABLE 1

(1) ΒΑΣΗ-ΟΛΟΙ ΟΙ ΕΡΩΤΩΜΕΝΟΙ	(2) ΣΥΛΟ			ΟΜΑΔΑ ΗΛΙΚΙΑΣ (6)							(7) ΕΚΠΑΙΔΕΥΣΗ		ΕΤΕΡΟΛΟΓΙΣΜΟΣ		
	ΑΝΤΡ (4)	ΓΥΝ (5)	ΣΥΛΟ	18-24	25-34	35-44	45-54	55-64	65++	ΔΗΜ (8)	ΛΥΚ (9)	ΣΥΛΟ	-80	80-120	120-180
(1)	962	1048	2010	284	380	388	342	270	386	670	803	1473	1129	328	100
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ & ΕΚΤΑΚΤΑ (12)	48 5%	12 1%	60 3%	8 2%	14 4%	17 5%	12 4%	7 2%	2 1%	28 2%	31 4%	59	38 3%	11 3%	1 1%
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ ΠΑΛΙΑΙΟΤΕΡΑ ΕΚΤΑΚΤΑ-ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ (13)	4 0%	-	4 0%	-	1 0%	1 0%	1 0%	-	-	1 0%	2 0%	3	2 0%	1 0%	-
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ ΠΑΛΙΑΙΟΤΕΡΑ ΕΚΤΑΚΤΑ-ΔΕΝ ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ (14)	104 11%	42 4%	146 7%	20 7%	48 13%	32 8%	28 7%	18 5%	3 1%	68 7%	61 8%	129	88 8%	28 11%	12 12%
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ ΠΟΤΕ ΕΚΤΑΚΤΑ-ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ (15)	8 1%	1 0%	9 0%	1 0%	4 1%	1 0%	1 0%	-	-	2 0%	4 0%	6	4 0%	1 0%	-
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ ΠΟΤΕ ΕΚΤΑΚΤΑ-ΔΕΝ ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ (16)	488 51%	248 23%	736 37%	78 27%	183 43%	207 53%	188 48%	88 24%	32 8%	288 30%	344 43%	632	388 32%	148 48%	88 83%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΟΥΛΕΥΑΝ ΠΑΛΙΑΙΟΤΕΡΑ-ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (17)	47 5%	25 2%	72 4%	20 7%	28 7%	11 3%	7 2%	8 2%	2 1%	18 2%	44 6%	62	47 4%	8 2%	2 2%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΟΥΛΕΥΑΝ ΠΑΛΙΑΙΟΤΕΡΑ-ΔΕΝ ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (18)	211 22%	218 21%	429 21%	38 12%	48 13%	31 8%	43 13%	80 23%	182 51%	220 26%	148 19%	368	281 26%	88 17%	12 12%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΕΝ ΔΟΥΛΕΥΑΝ ΠΟΤΕ-ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (19)	8 1%	15 1%	23 1%	17 6%	8 2%	1 0%	-	-	-	3 0%	18 2%	21	8 1%	3 1%	2 2%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΕΝ ΔΟΥΛΕΥΑΝ ΠΟΤΕ-ΔΕΝ ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (20)	38 4%	483 47%	521 26%	108 37%	88 18%	88 22%	88 25%	84 20%	128 38%	277 32%	182 19%	369	314 28%	88 20%	18 18%
ΒΑΣΗ-ΟΛΟΙ ΟΙ ΕΡΩΤΩΜΕΝΟΙ (21)	962	1048	2010	284	380	388	342	270	386	670	803	1473	1129	328	100
ΣΥΛΟ (22)	962 100%	1048 100%	2010 100%	284 100%	380 100%	388 100%	342 100%	270 100%	386 100%	670 100%	803 100%	1473 100%	1129 100%	328 100%	100 100%

Key:

1. Basis: all those questioned; 2. Sex; 3. Total; 4. Men; 5. Women; 6. Age group; 7. Education; 8. Elementary school; 9. High school; 10. Advanced school; 11. Family income in 000 drachmas; 12. Work on a permanent and temporary basis; 13. Work only on a permanent basis (formerly on a temporary basis; looking for temporary work); 14. Work only on a permanent basis (formerly on a temporary basis; not looking for temporary work); 15. Work only on a permanent basis (never had temporary work; looking for temporary work); 16. Work only on a permanent basis (never had temporary work; not looking for temporary work); 17. Do not work on a permanent basis (worked previously; looking for work); 18. Do not work on a permanent basis (worked previously; not looking for work); 19. Do not work on a permanent basis (never worked; looking for work); 20. Do not work on a permanent basis (never worked; not looking for work); 21. Basis: all those questioned. 22. Total

TABLE 2

ΒΑΣΗ - ΟΛΟΙ ΟΙ ΕΡΩΤΩΜΕΝΟΙ (1)	(2) ΜΕΓΕΘΟΣ ΠΟΛΗΣ								(6) ΓΕΩΓΡΑΦΙΚΟ ΔΙΑΜΕΡΙΣΜΟΣ				
	ΣΥΝ. (3)	ΑΘΗ-ΝΑ (4)	ΘΕΣΣΑ-ΛΟΝΙΚ. (5)	50001-150000	10001-50000	2001-10000	501-2000	1-500	ΣΤΕΡΕΑ ΕΥΒΟΙΑ (7)	ΠΕΛ/ΝΗΙΟΣ (8)	ΘΕΣΣ. ΗΠ-ΙΩΝ (9)	ΜΑΚΕΔ. ΘΡΑΚΗ (10)	ΑΙΓΑΙΟ ΚΡΗΤΗ (11)
	2000	622	148	102	286	230	380	284	846	208	348	808	182
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ & ΕΚΤΑΚΤΑ (12)	622	8 1%	1 1%	3 3%	3 1%	8 2%	29 8%	11 4%	11 1%	30 14%	8 2%	6 1%	3 1%
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ (ΠΑΛΑΙΟΤΕΡΑ ΕΚΤΑΚΤΑ-ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ) (13)	3 0	-	-	-	1 0	-	-	-	1 0	-	-	-	-
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ (ΠΑΛΑΙΟΤΕΡΑ ΕΚΤΑΚΤΑ-ΔΕΝ ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ) (14)	38 6%	7 6%	12 12%	34 9%	18 7%	39 11%	12 4%	64 8%	18 9%	21 9%	30 6%	11 6%	2 1%
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ (ΠΟΤΕ ΕΚΤΑΚΤΑ-ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ) (15)	3 0	3 2%	-	-	-	-	1 0	-	1 0	-	-	3 1%	1 0
ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΟ ΜΟΝΙΜΑ (ΠΟΤΕ ΕΚΤΑΚΤΑ-ΔΕΝ ΨΑΧΝΟΥΝ ΕΚΤΑΚΤΗ ΔΟΥΛΕΙΑ) (16)	223 36%	57 39%	30 29%	37 33%	88 38%	128 37%	121 43%	280 34%	81 39%	74 30%	208 41%	88 49%	27 15%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΟΥΛΕΥΑΝ ΠΑΛΑΙΟΤΕΡΑ-ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (17)	20 3%	2 1%	4 4%	16 6%	8 3%	14 4%	8 3%	24 3%	3 1%	15 6%	21 4%	10 6%	2 1%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΟΥΛΕΥΑΝ ΠΑΛΑΙΟΤΕΡΑ-ΔΕΝ ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (18)	181 29%	28 19%	20 20%	54 20%	40 17%	88 14%	53 19%	220 27%	32 15%	47 19%	104 21%	27 15%	2 1%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΕΝ ΔΟΥΛΕΥΑΝ ΠΟΤΕ-ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (19)	4 1%	6 4%	-	3 1%	2 1%	4 1%	4 1%	7 1%	3 1%	1 0	10 2%	2 1%	2 1%
ΔΕΝ ΕΡΓΑΖΟΝΤΑΙ ΜΟΝΙΜΑ (ΔΕΝ ΔΟΥΛΕΥΑΝ ΠΟΤΕ-ΔΕΝ ΨΑΧΝΟΥΝ ΔΟΥΛΕΙΑ) (20)	144 23%	42 29%	33 32%	78 28%	71 31%	88 24%	78 28%	220 27%	42 20%	52 33%	124 25%	50 28%	2 1%
ΒΑΣΗ - ΟΛΟΙ ΟΙ ΕΡΩΤΩΜΕΝΟΙ (21)	2000	622	148	102	286	230	380	284	846	208	348	808	182
ΣΥΝΟΛΟ (22)	2000 100%	622 100%	148 100%	102 100%	286 100%	230 100%	380 100%	284 100%	846 100%	208 100%	348 100%	808 100%	182 100%

Key:

1. Basis: all those questioned; 2. Size of city; 3. Total; 4. Athens; 5. Salonica; 6. Geographic division; 7. Mainland Greece and Evvoia; 8. Peloponnisos; 9. Thessalia, Ipeiros and Ionian Islands; 10. Makedonia and Thraki; 11. Aegean Islands and Crete; 12. Work on a permanent and temporary basis; 13. Work only on a permanent basis (formerly on a temporary basis; looking for temporary work); 14. Work only on a permanent basis (formerly on a temporary basis; not looking for temporary work); 15. Work only on a permanent basis (never had temporary work; looking for temporary work); 16. Work only on a permanent basis (never had temporary work; not looking for temporary work); 17. Do not work on a permanent basis (worked previously; looking for work); 18. Do not work on a permanent basis (worked previously; not looking for work); 19. Do not work on a permanent basis (never worked; looking for work); 20. Do not work on a permanent basis (never worked; not looking for work); 21. Basis: all those questioned; 22. Total

TABLE 3

ΒΑΣΗ - ΟΛΟΙ ΟΙ ΕΡΩΤΩΜΕΝΟΙ (1)	ΑΝΤΡ. (4)	ΓΥΝ. (5)	18-24	25-34	35-44	45-54	55-64	65++	ΔΗΜ. (8)	ΛΥΚ. (9)	-80	80-120	120-150
	882	1048	284	380	388	342	270	388	870	803	1129	328	100
ΣΕ ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΣΤΕΛΕΧΟΣ (12)	11 1%	3 0	-	4 1%	3 1%	7 2%	-	-	-	8 1%	6 1%	3 1%	1 1%
ΥΠΑΛΛΗΛΟΣ (13)	64 7%	48 4%	7 2%	42 12%	37 10%	20 6%	4 1%	-	3 0	88 7%	44 4%	28 12%	7 7%
ΕΡΓΑΤΗΣ (14)	34 4%	5 0	2 1%	13 4%	14 4%	8 1%	8 2%	-	14 2%	19 2%	20 2%	13 4%	1 1%
ΣΕ ΙΔΙΩΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΤΕΛΕΧΟΣ (15)	13 1%	-	-	1 0	4 1%	6 2%	2 1%	-	-	8 1%	2 0	4 1%	2 2%
ΥΠΑΛΛΗΛΟΣ (16)	46 5%	28 3%	8 3%	20 6%	23 6%	13 4%	6 2%	4 1%	4 0	41 5%	27 2%	20 8%	7 7%
ΕΡΓΑΤΗΣ (17)	79 9%	23 2%	18 6%	24 7%	28 7%	23 7%	8 3%	3 1%	80 9%	40 5%	64 5%	19 6%	6 6%
ΣΕ ΚΑΤΑΣΤΗΜΑ ΙΔΙΟΚΤΗΤΗΣ (18)	137 14%	83 8%	15 5%	38 11%	61 16%	41 12%	24 6%	10 3%	88 9%	182 13%	71 6%	48 14%	18 15%
ΥΠΑΛΛΗΛΟΣ (19)	18 2%	28 2%	21 7%	11 3%	8 2%	-	1 0	1 0	7 1%	30 4%	22 2%	7 2%	4 4%
ΕΛΕΥΘΕΡΟΙ ΕΠΑΓΓΕΛΜΑΤΙΕΣ ΕΠΙΣΤΗΜΟΝΕΣ (20)	17 2%	5 0	-	8 2%	10 3%	4 1%	1 0	1 0	-	1 0	4 0	7 2%	-
ΤΕΧΝΙΤΕΣ-ΑΓΡΟΤΕΣ (21)	230 24%	110 10%	33 12	63 18%	73 19%	88 26%	70 20%	23 6%	188 23%	130 16%	218 19%	36 11%	23 23%
ΠΟΛΑΝΤΕΣ-ΠΛΑΣΤΕ (22)	6 1%	1 0	2 1%	3 1%	1 0	-	-	-	-	2 0	3 0	1 0	-
ΩΗ ΕΡΓΑΖΟΜΕΝΟΙ ΜΟΝΙΜΑ (23)	301 32%	748 71%	178 63%	144 40%	129 33%	138 39%	180 50%	313 80%	834 90%	380 45%	881 59%	131 40%	34 34%
ΣΥΝΟΛΟ (24)	882 100%	1048 100%	284 100%	380 100%	388 100%	342 100%	270 100%	388 100%	870 100%	803 100%	1129 100%	328 100%	100 100%

Key:

1. Basis: all those questioned; 2. Sex; 3. Total; 4. Men; 5. Women; 6. Age group; 7. Education; 8. Elementary school; 9. Senior high school; 10. Advanced school; 11. Family income in 000 drachmas; 12. In the public sector; cadre; 13. In the public sector; white collar worker; 14. In the public sector; blue collar worker; 15. In the private sector; cadre; 16. In the private sector; white collar worker; 17. In the private sector; blue collar worker; 18. In a shop; shop owner; 19. Shop employee; 20. Liberal professions; professionals; 21. Technicians and farmers; 22. Salesmen and traveling salesmen; 23. Not working on a permanent basis; 24. Total



TABLE 4

ΒΑΣΗ-ΟΛΟΙ ΟΙ ΕΡΩΤΟΥΜΕΝΟΙ (1)	ΜΕΓΕΘΟΣ ΠΟΛΗΣ								ΓΕΩΓΡΑΦΙΚΟ ΔΙΑΙΡΕΣΙΜΟ			
	ΑΘΗ- ΝΑ (4)	ΘΕΣΣΑ- ΛΟΝΙΚΗ (5)	50001- 150000	10001- 50000	2001- 10000	501- 2000	1-500	ΠΕΛ/ΝΗΙΟΣ (3)	ΘΕΣΣ ΗΠ-ΙΟΝ (9)	ΜΑΚΕΔ ΘΡΑΚΗ (10)	ΑΙΓΑΙΟ ΚΡΗΤΗ (11)	ΣΥΝΟΛΟ (24)
	622	148	102	288	230	380	284	288	248	808	182	1000
ΣΕ ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΣΤΕΛΕΧΟΣ (12)	8 1%	-	1 1%	5 2%	-	-	-	-	-	5 1%	-	-
ΥΠΑΛΛΗΛΟΣ (13)	80 9%	13 9%	13 13%	18 6%	4 2%	6 2%	8 3%	8 4%	11 4%	22 4%	-	-
ΕΡΓΑΤΗΣ (14)	16 3%	3 2%	1 1%	8 3%	4 2%	4 1%	2 1%	3 1%	4 2%	8 2%	-	-
ΣΕ ΙΔΙΩΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΤΕΛΕΧΟΣ (15)	11 2%	1 1%	1 1%	-	-	-	-	-	1 1%	1 1%	-	-
ΥΠΑΛΛΗΛΟΣ (16)	38 6%	7 5%	8 8%	11 4%	4 2%	3 1%	4 1%	1 1%	8 3%	18 3%	-	-
ΕΡΓΑΤΗΣ (17)	41 7%	8 5%	4 4%	9 3%	11 5%	21 6%	8 3%	7 3%	18 7%	20 4%	-	-
ΣΕ ΚΑΤΑΣΤΗΜΑ ΙΔΙΟΚΤΗΤΗΣ (18)	48 7%	24 16%	8 8%	29 11%	37 16%	29 8%	18 6%	22 11%	17 7%	88 13%	-	-
ΥΠΑΛΛΗΛΟΣ (19)	7 1%	2 1%	4 4%	9 3%	10 4%	4 1%	6 2%	1 1%	8 3%	11 2%	-	-
ΕΛΕΥΘΕΡΟΙ ΕΠΑΓΓΕΛΜΑΤΙΕΣ ΕΠΙΣΤΗΜΟΝΕΣ (20)	22 4%	14 2%	2 2%	6 2%	-	-	-	-	-	4 1%	-	-
ΤΕΧΝΙΤΕΣ-ΑΓΡΟΤΕΣ (21)	38 17%	7 5%	7 7%	21 8%	39 17%	130 37%	86 30%	88 41%	38 15%	94 14%	-	-
ΠΩΛΗΤΕΣ-ΠΛΑΣΤΕ (22)	6 1%	1 1%	-	-	-	-	-	-	-	1 1%	-	-
ΜΗ ΕΡΓΑΖΟΜΕΝΟΙ ΜΟΝΙΜΑ (23)	348 56%	78 53%	87 86%	181 67%	121 53%	183 44%	140 49%	80 38%	148 59%	288 51%	87 49%	1000
ΣΥΝΟΛΟ (24)	622 100%	148 100%	102 100%	288 100%	230 100%	380 100%	284 100%	288 100%	248 100%	808 100%	182 100%	1000

Key:

1. Basis: all those questioned; 2. Size of city; 3. Total; 4. Athens; 5. Salonica; 6. Geographic division; 7. Mainland Greece and Evvoia; 8. Peloponnisos; 9. Thessalia, Ipeiros and Ionian Islands; 10. Makedonia and Thraki; 11. Aegean Islands and Crete; 12. In the public sector; cadre; 13. In the public sector, white collar worker; 14. In the public sector; blue collar worker; 15. In the private sector; cadre; 16. In the private sector; white collar worker; 17. In the private sector; blue collar worker; 18. In a shop; shop owner; 19. Shop employee; 20. Liberal professions; professionals; 21. Technicians and farmers; 22. Salesmen and traveling salesmen; 23. Not working on a permanent basis; 24. Total

TABLE 5

ΒΑΣΗ-ΟΑΟΙ ΟΙ ΕΡΩΤΩΜΕΝΟΙ (1)	ΑΝΤΡ. (4) 982	ΓΥΝ. (5) 1048	18-24 284	25-34 380	35-44 389	45-54 342	55-64 270	65++ 388	ΔΗΜ. (8) 870	ΛΥΚ. (9) 803	-80 1129	80-120 325	120-150 100
ΣΕ ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΣΕ ΙΔΙΩΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΤΕΛΕΧΟΣ (12)	-	1	-	-	1	-	-	-	-	-	-	-	-
ΥΠΑΛΛΗΛΟΣ (13)	2	2	-	2	1	1	-	-	-	2	1	2	-
ΕΡΓΑΤΗΣ (14)	3	-	1	-	2	-	-	-	1	1	2	-	-
ΣΕ ΚΑΤΑΣΤΗΜΑ ΙΔΙΟΚΤΗΤΗΣ (15)	4	-	-	1	-	1	2	-	2	2	2	2	-
ΕΛΕΥΘΕΡΟΙ ΕΠΑΓΓΕΛΜΑΤΙΕΣ ΕΠΙΣΤΗΜΟΝΕΣ (16)	1	2	-	1	2	-	-	-	-	-	-	2	-
ΤΕΧΝΙΤΕΣ-ΑΓΡΟΤΕΣ (17)	38 4%	7 1%	5 2%	10 3%	13 3%	10 3%	8 2%	2 1%	17 2%	28 3%	38 3%	5 2%	1 1%
ΜΗ ΕΡΓΑΖΟΜΕΝΟΙ ΕΚΤΑΚΤΑ (18)	904 95%	1038 99%	278 98%	348 98%	370 95%	330 96%	283 97%	383 99%	880 98%	772 96%	1081 97%	314 97%	98 99%
ΣΥΝΟΛΟ (19)	982 100%	1048 100%	284 100%	380 100%	389 100%	342 100%	270 100%	388 100%	870 100%	803 100%	1129 100%	325 100%	100 100%

Key:

1. Basis: all those questioned; 2. Sex; 3. Total; 4. Men; 5. Women;  
6. Age group; 7. Education; 8. Elementary school; 9. Senior high school;  
10. Advanced school; 11. Family income in 000 drachmas; 12. In the public  
sector; in the private sector; cadre; 13. In the public sector; in the  
private sector; white collar worker; 14. In the public sector; in the  
private sector; blue collar worker; 15. In a shop; shop owner; 16. Liberal  
professions; professionals; 17. Technicians and farmers; 18. Not working  
on a temporary basis; 19. Total

TABLE 6

(1)	ΕΤΑΣ									ΕΤΑΣ			
	ΑΝΤΡ. (4)	ΓΥΝ. (5)	18-24	25-34	35-44	45-54	55-64	65++		-80	80-120	120-150	150+
ΒΑΣΗ-ΟΣΟΙ ΕΙΝΑΙ ΑΝΕΡΓΟΙ	88	40	37	31	12	7	6	2		88	11	4	-
ΝΑΙ (12)	14	-	3	6	3	1	1	-		6	2	-	-
ΟΧΙ (13)	40	38	33	24	9	6	5	1		48	9	4	-
ΧΩΡΙΣ ΑΠΑΝΤΗΣΗ (14)	1	2	1	1	-	-	-	1		2	-	-	-
ΣΥΝΟΛΟ (15)	88	40	37	31	12	7	6	2		88	11	4	-
	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%	100%	-

Key:

1. Basis: all those unemployed; 2. Sex; 3. Total; 4. Men; 5. Women;
6. Age group; 7. Education; 8. Elementary school; 9. Senior high school;
10. Advanced school; 11. Family income in 000 drachmas; 12. Yes;
13. No; 14. No answer; 15. Total

TABLE 7

(1)	ΜΕΓΕΘΟΣ ΠΟΛΗΣ (2)								ΓΕΩΓΡΑΦΙΚΟΙ ΠΕΡΙΣΤΡΑΦΕΣ (3)				
	ΑΘΗ-ΝΑ (4)	ΘΕΣΣΑ-ΛΟΝΙΚ. (5)	50001-150000	10001-50000	2001-10000	501-2000	1-500	ΣΤΕΡΕΑ ΕΥΒΟΙΑ (7)	ΠΕΛ/ΝΗΣΟΣ (8)	ΘΕΣΣ ΗΠ-ΙΟΝ (9)	ΜΑΚΕΔ ΘΡΑΚΗ (10)	ΑΙΓΑΙΟ ΚΡΗΤΗ (11)	
ΒΑΣΗ-ΟΣΟΙ ΕΙΝΑΙ ΑΝΕΡΓΟΙ	24	8	4	19	10	18	12	33	6	16	31	9	
ΝΑΙ (12)	4	1	1	1	2	4	1	5	-	3	4	2	
ΟΧΙ (13)	20	7	3	17	8	12	11	28	6	13	25	6	
ΧΩΡΙΣ ΑΠΑΝΤΗΣΗ (14)	-	-	-	1	-	2	-	-	-	-	2	1	
ΣΥΝΟΛΟ (15)	24	8	4	19	10	18	12	33	6	16	31	9	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

Key:

1. Basis: all those unemployed; 2. Size of city; 3. Total; 4. Athens;
5. Salonica; 6. Geographic division; 7. Mainland Greece and Evvoia;
8. Peloponnisos; 9. Thessalia, Ipeiros and Ionian Islands; 10. Makedonia and Thraki;
11. Aegean Islands and Crete; 12. Yes; 13. No; 14. No answer; 15. Total

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## NORWAY

### Oil Minister on OPEC, Mongstad Issue, Export Outlook

36390030 Oslo AFTENPOSTEN in Norwegian  
29 Dec 87 p 12

[Article: "Oil and Energy Minister Arne Oien: OPEC's Desire Is Our Hope"]

[Text] OPEC's desire to avoid a new oil-price drop is also our best hope for keeping the price fairly steady," says Oil and Energy Minister Arne Oien in a New Year's interview with the Norwegian Wire Service. The cabinet minister again dismisses the notion that he and the Government waited too long without intervening in the Mongstad affair, which led to Arve Johnsen's downfall. And Oien hopes Norwegian gas can be delivered to Sweden and Great Britain before the year 2000.

The oil and energy minister cannot guarantee that his ministry will promote the case for expanding any of the fields at Haltenbanken during the first half of 1988. But he confirms that the Snorre field in the North Sea will be expanded. Besides, he thinks more information is necessary before the so-called queue questions can finally be clarified.

"Even after New Year's, everything won't be decided. The key to the queue issue is the point in time when we'll need gas from Haltenbanken," says Oien. He still seems to want to keep on tenterhooks the oil companies which have submitted their expansion plans.

The purpose of any queue for oil expansion projects is to avoid a swift halt in investments, followed by a later business slump. Oien has suggested oil investments of 25 billion kroner a year as a reasonable goal.

"It's true that among the oil fields being considered for expansion Saga's Snorre field is in the poorest financial shape," says Oien. "But here the primary motive was to keep the third Norwegian company going as an oil company, not just an investment company, which has been crucial." The oil minister refuses to issue a priority list for the remaining fields which oil companies have sought permission to expand.

### Market Outlook

"I think that OPEC's has a deep desire to avoid the price drop we had in 1986. It's the best hope we have for keeping the price fairly steady. But I think we're in for some difficult months," says Oien. The uncertain outlook for the world economy hangs hauntingly in the background: if economic slumps cause the demand for oil to stagnate, solidarity in OPEC and the organization's ability to keep the price of oil stable will be affected, believes the cabinet minister.

Arne Oien sees no reason for Norway to change its policy toward OPEC if the situation remains reasonably stable. Even if the market is nervous, with major fluctuations from day to day, he does not expect the drop in oil prices to be so big that Norwegian companies will lose their desire to expand.

### Gas Exports

A problem child in Norwegian petroleum policy is who will buy from the steadily increasing gas reserves. Sweden and Great Britain are the cabinet minister's hope.

"We'll probably be delivering gas to both of them before the year 2000. This means we ought to have the contracts in order by 1995, but the amounts are pretty uncertain," says Oien.

### Johnsen's Reputation

"I think people will gradually realize that Arve Johnsen has made a big contribution to the Norwegian oil industry. In that sense, Johnsen's reputation is secure and cannot be changed by the Mongstad affair, no matter how unfortunate it is." Such is the cabinet minister's salute to the Statoil chief, who will be replaced January 15. Arne Oien thinks that the Mongstad refinery will be profitable, even though he expects profits to be less than half of what was originally assumed.

"It is primarily the board of directors which is working on the question of who will be the new Statoil leader. But I'm counting on a certain contact," he says. Oien still dismisses the notion that he and the Government hesitated too long in the situation which led to the downfall of Johnsen and the Statoil board of directors, and resorts to a military parallel:

"The supreme command can follow very closely what's happening in a particular frontal sector without intervening and giving the local commander orders. The supreme command might believe that the local leader should do this or that, or else it'll have to get rid of him. But the point is: do not needlessly relieve the frontline commander of his authority in front of the rest of the army. That was our line of thought, but the government was ready to intervene at any moment," says Oien.

### Dividing Up Conglomerate?

Next year Oien's ministry will review a possible reorganization of Statoil. The cabinet minister pictures splitting up the conglomerate into a few companies according to their areas of activity, especially in such a way that operations on the continental shelf are separated from the refining and sale of oil products. The reason is mainly a wish to obtain a better overview of the conglomerate, how the different parts function economically, says Oien. At the same time, he has asked Statoil for a quarterly report, as opposed to the annual one he has received up until now.



**Drilling in North**

"I think the conditions are good for about six drill holes way up north in 1988.

"But I can, of course, only hope for, not guarantee, oil finds on the shelf outside northern Norway. It's oil finds, not drilling, that will be a powerful boost to northern

Norway's economy. The time spent searching for oil must also be adjusted, because every hole is quite costly. We have to utilize the knowledge from holes already drilled before we go on, in order to maximize the chance for finding oil. This means there are limits to how fast we can drill," says Oien.

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## ITALY

### CGIL Launches Campaign To Lure New Members

35280089 Milan *ITALIA OGGI* in Italian  
18 Dec 87 p 12

[Text] Milan. A little bit out of challenge, a little bit out of fear, and perhaps a little bit out of self-defense, the CGIL is coming out into the open after 6 years of silence and launching a national advertising campaign for membership this year. A new type of advertising that is light-years away from the traditional posters which have always characterized the Confederation's initiatives.

"CGIL, a labor union" is the slogan which, as Edoardo Guarino defines it with satisfaction, is "strong and very beautiful. Then there is a series of adjectives" coming to a total of 23 in an unusual alternation of feminine and masculine starting with "employed," and finishing the "colored," by way of "ironic," "stressed," "island dweller," "north central," and even "Cobassati" [members of COBAS—Independent Group of Railroad Locomotive Engineers].

Edoardo Guarino, the head of the CGIL "image" section, is the true promotor of the campaign, which was created and produced by the BGT agencies in Milan and the Caldarelli agencies in Rome and chosen from 10 different proposals. The campaign, which is making use of "externals," is, in itself, a big innovation in the history of the union. "The CGIL needs to regain a presence which has been lacking for years," comments Guarino with conviction, "and we have done so with this initiative."

The operation started with publications in daily newspapers and periodicals, "not only those of socialist tendencies, but also others such as *Linus*." It is to continue with the release of a poster and then a new round of advertisements in the printed press after 5 January "once the commotion of Christmas, which may drown us, has calmed down." Finally, there will be four more posters. All for the total cost of 450 million lire "perhaps not much for an organization having 5 million members," Edoardo Guarino adds in passing. "But surely it is an attempt to regain political recognition and most of all force the organization to be present."

In short, an acknowledgement that the largest resistance to new ideas and a redefinition of the CGIL are arising from within. "I don't know if the campaign will have an

effect on the number of members," Guarino admits, "but it would be enough if it could have an impact on the image, even a polemic one, followed perhaps by a debate within the union. Because the problem of democracy," he emphasizes, "is not solved with bureaucratic methods but with anew means of communicating."

Nevertheless, the attempt, which is not even concealed, is to regain lost territory; those portions of mistrust or, worse still, indifference which the CGIL has lost in recent years or has not managed to incorporate. That is the purpose of the 23 adjectives according to the intentions of the publicists. "For example, we had to also consider women," explains Guarino, "so the agency devised this alternation between masculine and feminine." What does it matter if most of the "negative" adjectives going from "unemployed" to "preretirement" to "retired" refer to women. "Personally I didn't even realize it," admits the creator of the new CGIL image, partly amused and partly embarrassed. "But in all honesty, feminine presence among the unemployed and the pre-retired is certainly greater than the masculine presence; perhaps that is why."

And what about "Cobassati?" The explanation for this newly coined adjective is quick in coming. "We have tens of thousands of people who are attracted by a conception of union self-management," Guarino answers with renewed seriousness, "and we wish to initiate a political discussion with them also."

And likewise with the "stressed" who are none other than the "professors who are disappointed and frustrated in their jobs," or the "ironic" or "colored," a cheerful definition for "those youths who have a different vision of work and who have trouble imaging a steady job 8 hours per day and 365 days a year."

"Climb over the fence" seems to be the catch phrase of Edoardo Guarino, "a fence which we ourselves are partly responsible for, but which was also built around us. We now wish to be the union of the entire work force without thinking we can cut the corners. I am an optimist and believe that the fence can be overcome."

Thanks—needless to say—to the image strategy which Guarino is putting together and which includes plans to launch the CGIL's weekly—bringing it up to 100 thousand copies—and a new daily agency of socio-economic news which should start in March or April of next year.

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**END OF**

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